

NINETY-SIXTH DAY

St. Paul, Minnesota, Monday, March 25, 2024

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Bolden imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Lynn C. Liberman

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

The roll was called, and the following Senators were present:

Abeler	Dziedzic	Klein	Miller	Rasmusson
Anderson	Eichorn	Koran	Mitchell	Rest
Bahr	Frentz	Kreun	Mohamed	Seeberger
Boldon	Green	Kunesh	Morrison	Utke
Carlson	Gruenhagen	Kupec	Murphy	Weber
Champion	Gustafson	Lieske	Oumou Verbeten	Westlin
Coleman	Hauschild	Limmer	Pappas	Westrom
Cwodzinski	Hawj	Lucero	Pha	Wiklund
Dahms	Hoffman	Marty	Port	Xiong
Dibble	Howe	Mathews	Pratt	
Dornink	Jasinski	Maye Quade	Putnam	
Draskowski	Johnson	McEwen	Rarick	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

March 22, 2024

The Honorable Bobby Joe Champion
President of the Senate

Dear Senator Champion:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committee and placed on the Confirmation Calendar:

From the Committee on Environment, Climate, and Legacy, to which were referred the following appointments as reported in the Journal for March 14, 2023:

LESSARD-SAMS OUTDOOR HERITAGE COUNCIL

Ashley Peters

Tom Saxhaug

Sincerely,

Thomas S. Bottern

Secretary of the Senate

REPORTS OF COMMITTEES

Senator Murphy moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 4823. The motion prevailed.

Senator Champion from the Committee on Jobs and Economic Development, to which was referred

S.F. No. 4027: A bill for an act relating to economic development; modifying the membership of the energy transition advisory committee; amending Minnesota Statutes 2022, section 116J.5492, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

STATE DISLOCATED WORKER PROGRAM

Section 1. Minnesota Statutes 2023 Supplement, section 116L.17, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them in this subdivision.

(b) "Commissioner" means the commissioner of employment and economic development.

(c) "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been permanently separated or has received a notice of permanent separation from public or private sector employment and is eligible for or has exhausted entitlement to unemployment benefits, and is unlikely to return to the previous industry or occupation;

(2) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age;

(3) has been terminated or has received a notice of termination of employment as a result of a plant closing or a substantial layoff at a plant, facility, or enterprise;

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

(5) is a veteran as defined by section 197.447, has been discharged or released from active duty under honorable conditions within the last 36 months, and (i) is unemployed or (ii) is employed in a job verified to be below the skill level and earning capacity of the veteran;

(6) is an individual determined by the United States Department of Labor to be covered by trade adjustment assistance under United States Code, title 19, sections 2271 to 2331, as amended; ~~or~~

(7) is a displaced homemaker. A "displaced homemaker" is an individual who has spent a substantial number of years in the home providing homemaking service and (i) has been dependent upon the financial support of another; and due to divorce, separation, death, or disability of that person, must now find employment to self support; or (ii) derived the substantial share of support from public assistance on account of dependents in the home and no longer receives such support. To be eligible under this clause, the support must have ceased while the worker resided in Minnesota;

(8) is the spouse of a member of the United States armed forces who is on active duty and who meets at least one of the following: (i) has lost employment as a direct result of relocation to accommodate a permanent change in the service member's duty station; or (ii) is unemployed or underemployed and facing barriers to obtaining or upgrading employment;

(9) is an individual with non-work-related injuries or illnesses who does not have a workers' compensation case but needs support to reenter or remain in the workforce; or

(10) is an adult with a low income, is a recipient of public assistance, or is deficient in basic skills.

For the purposes of this section, "dislocated worker" does not include an individual who was an employee, at the time employment ceased, of a political committee, political fund, principal campaign committee, or party unit, as those terms are used in chapter 10A, or an organization required to file with the federal elections commission.

(d) "Eligible organization" means a state or local government unit, nonprofit organization, community action agency, business organization or association, or labor organization.

(e) "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment.

(f) "Substantial layoff" means a permanent reduction in the workforce, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any

30-day period for at least 50 employees excluding those employees that work less than 20 hours per week.

Sec. 2. **REPEALER.**

Minnesota Statutes 2022, section 116L.17, subdivision 5, is repealed.

ARTICLE 2

JOB CREATION FUND

Section 1. Minnesota Statutes 2022, section 116J.8748, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Agreement" or "business subsidy agreement" means a business subsidy agreement under section 116J.994 that must include, but is not limited to: specification of the duration of the agreement, job goals and a timeline for achieving those goals over the duration of the agreement, construction and other investment goals and a timeline for achieving those goals over the duration of the agreement, and the value of benefits the firm may receive following achievement of capital investment and employment goals. The local government and business must report to the commissioner on the business performance using the forms developed by the commissioner.

(c) "Business" means an individual, corporation, partnership, limited liability company, association, or other entity.

(d) "Capital investment" means money that is expended for the purpose of building or improving real fixed property where employees under paragraphs (g) and (h) are or will be employed and also includes construction materials, services, and supplies, and the purchase and installation of equipment and machinery as provided under subdivision 4, paragraph (b), clause (5).

(e) "Commissioner" means the commissioner of employment and economic development.

(f) "Minnesota job creation fund business" means a business that is designated by the commissioner under subdivision 3.

(g) "Minority person" means a person belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.

(h) "New full-time equivalent employee" means an employee who:

(1) begins work at a Minnesota job creation fund business facility noted in a business subsidy agreement and following the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees.

(i) "Persons with disabilities" means an individual with a disability, as defined under the Americans with Disabilities Act, United States Code, title 42, section 12102.

(j) "Retained job equivalent" means a full-time equivalent position:

(1) that existed at the facility prior to the designation as a job creation fund business; and

(2) has expected work hours of at least 2,080 hours annually or the equivalent of annualized expected hours of work equal to 2,080 hours of one or more employees.

(k) "Veteran" means a veteran as defined in section 197.447.

(l) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 3, is amended to read:

Subd. 3. **Minnesota job creation fund business designation; requirements.** (a) To receive designation as a Minnesota job creation fund business, a business must satisfy all of the following conditions:

(1) the business is or will be engaged in, within Minnesota, one of the following as its primary business activity:

(i) manufacturing;

(ii) warehousing;

(iii) distribution;

(iv) information technology;

(v) finance;

(vi) insurance; or

(vii) professional or technical services;

(2) the business must not be primarily engaged in lobbying; gambling; entertainment; professional sports; political consulting; leisure; hospitality; or professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, or primarily engaged in making retail sales to purchasers who are physically present at the business's location;

(3) the business must enter into a binding construction and job creation business subsidy agreement with the commissioner to expend directly, or ensure expenditure by or in partnership with a third party constructing or managing the project, at least \$500,000 in capital investment in a capital investment project that includes a new, expanded, or remodeled facility within one year following designation as a Minnesota job creation fund business or \$250,000 if the project is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability; and:

(i) create at least ten new full-time equivalent employee positions within two years of the benefit date following the designation as a Minnesota job creation fund business or five new full-time

equivalent employee positions within two years of the benefit date if the project is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability; or

(ii) expend at least \$25,000,000, which may include the installation and purchase of machinery and equipment, in capital investment and retain at least 100 full-time equivalent employees for projects located in the metropolitan area as defined in section 200.02, subdivision 24, or expend at least \$10,000,000, which may include the installation and purchase of machinery and equipment, in capital investment and retain at least 50 full-time equivalent employees for projects located outside the metropolitan area;

(4) positions or employees moved or relocated from another Minnesota location of the Minnesota job creation fund business must not be included in any calculation or determination of job creation or new positions under this paragraph; and

(5) a Minnesota job creation fund business must not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring an individual to satisfy job creation goals under this subdivision.

(b) Prior to approving the proposed designation of a business under this subdivision, the commissioner shall consider the following:

(1) the economic outlook of the industry in which the business engages;

(2) the projected sales of the business that will be generated from outside the state of Minnesota;

(3) how the business will build on existing regional, national, and international strengths to diversify the state's economy;

(4) whether the business activity would occur without financial assistance;

(5) whether the business is unable to expand at an existing Minnesota operation due to facility or land limitations;

(6) whether the business has viable location options outside Minnesota;

(7) the effect of financial assistance on industry competitors in Minnesota;

(8) financial contributions to the project made by local governments; and

(9) any other criteria the commissioner deems necessary.

(c) Upon receiving notification of local approval under subdivision 2, the commissioner shall review the determination by the local government and consider the conditions listed in paragraphs (a) and (b) to determine whether it is in the best interests of the state and local area to designate a business as a Minnesota job creation fund business.

(d) If the commissioner designates a business as a Minnesota job creation fund business, the business subsidy agreement shall include the performance outcome commitments and the expected financial value of any Minnesota job creation fund benefits.

(e) The commissioner may amend an agreement once, upon request of a local government on behalf of a business, only if the performance is expected to exceed thresholds stated in the original agreement.

(f) A business may apply to be designated as a Minnesota job creation fund business at the same location more than once only if all goals under a previous Minnesota job creation fund agreement have been met and the agreement is completed.

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 4, is amended to read:

Subd. 4. **Certification; benefits.** (a) The commissioner may certify a Minnesota job creation fund business as eligible to receive a specific value of benefit under paragraphs (b) and (c) when the business has achieved its job creation and capital investment goals noted in its agreement under subdivision 3.

(b) A qualified Minnesota job creation fund business may be certified eligible for the benefits in this paragraph for up to five years for projects located in the metropolitan area as defined in section 200.02, subdivision 24, and seven years for projects located outside the metropolitan area, as determined by the commissioner when considering the best interests of the state and local area. Notwithstanding section 16B.98, subdivision 5, paragraph (a), clause (3), or 16B.98, subdivision 5, paragraph (b), grant agreements for projects located outside the metropolitan area may be for up to seven years in length. The eligibility for the following benefits begins the date the commissioner certifies the business as a qualified Minnesota job creation fund business under this subdivision:

(1) up to five percent rebate for projects located in the metropolitan area as defined in section 200.02, subdivision 24, and 7.5 percent for projects located outside the metropolitan area, on capital investment on qualifying purchases as provided in subdivision 5 with the total rebate for a project not to exceed \$500,000;

(2) an award of up to \$500,000 based on full-time job creation and wages paid as provided in subdivision 6 with the total award not to exceed \$500,000;

(3) up to \$1,000,000 in capital investment rebates and \$1,000,000 in job creation awards are allowable for projects that have at least \$25,000,000 in capital investment and 100 new full-time equivalent employees in the metropolitan area as defined in section 200.02, subdivision 24, or at least \$10,000,000 in capital investment and 50 new full-time equivalent employees for projects located outside the metropolitan area;

(4) up to \$1,000,000 in capital investment rebates and up to \$1,000,000 in job creation awards are allowable for projects that have at least \$25,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 100 retained full-time equivalent employees for projects located in the metropolitan area as defined in section 200.02, subdivision 24, or at least \$10,000,000 in capital investment, which may include the installation and purchase of machinery and equipment, and 50 retained full-time equivalent employees for projects located outside the metropolitan area; and

(5) for clauses (3) and (4) only, the capital investment expenditure requirements may include the installation and purchases of machinery and equipment. These expenditures are not eligible for the capital investment rebate provided under subdivision 5.

(c) The job creation award may be provided in multiple years as long as the qualified Minnesota job creation fund business continues to meet the job creation goals provided for in its agreement under subdivision 3 and the total award does not exceed \$500,000 except as provided under paragraph (b), clauses (3) and (4). Under paragraph (b), clause (4), a job creation award of \$2,000 per full-time equivalent job retained ~~job~~ may be provided one time if the qualified Minnesota job creation fund business meets the minimum capital investment and retained employee requirement as provided in paragraph (b), clause (4), for at least two years.

(d) No rebates or award may be provided until the Minnesota job creation fund business or a third party constructing or managing the project has at least \$500,000 in capital investment in the project and at least ten full-time equivalent jobs have been created and maintained for at least one year or the retained employees, as provided in paragraph (b), clause (4), remain for at least one year. The agreement may require additional performance outcomes that need to be achieved before rebates and awards are provided. If fewer retained jobs are maintained, but still above the minimum under this subdivision, the capital investment award shall be reduced on a proportionate basis.

(e) The forms needed to be submitted to document performance by the Minnesota job creation fund business must be in the form and be made under the procedures specified by the commissioner. The forms shall include documentation and certification by the business that it is in compliance with the business subsidy agreement, sections 116J.871 and 116L.66, and other provisions as specified by the commissioner.

(f) Minnesota job creation fund businesses must pay each new full-time equivalent employee added pursuant to the agreement total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 110 percent of the federal poverty level for a family of four.

(g) A Minnesota job creation fund business must demonstrate reasonable progress on capital investment expenditures within six months following designation as a Minnesota job creation fund business to ensure that the capital investment goal in the agreement under subdivision 1 will be met. Businesses not making reasonable progress will not be eligible for benefits under the submitted application and will need to work with the local government unit to resubmit a new application and request to be a Minnesota job creation fund business. Notwithstanding the goals noted in its agreement under subdivision 1, this action shall not be considered a default of the business subsidy agreement.

Sec. 4. Minnesota Statutes 2023 Supplement, section 116J.8748, subdivision 6, is amended to read:

Subd. 6. **Job creation award.** (a) A qualified Minnesota job creation fund business is eligible for an annual award for each new full-time equivalent job created and maintained under subdivision 4, paragraph (b), clauses (2) and (3), by the business using the following schedule: \$1,000 for each job position paying annual wages at least \$26,000 but less than \$35,000; \$2,000 for each job position paying at least \$35,000 but less than \$45,000; \$3,000 for each job position paying at least \$45,000 but less than \$55,000; and \$4,000 for each job position paying at least \$55,000; and as noted in the

goals under the agreement provided under subdivision 1. These awards are increased by \$1,000 if the business is located outside the metropolitan area as defined in section 200.02, subdivision 24, or if 51 percent of the business is cumulatively owned by minorities, veterans, women, or persons with a disability.

(b) A qualified Minnesota job creation fund business is eligible for a onetime \$2,000 award for each full-time equivalent job retained and maintained under subdivision 4, paragraph (b), clause (4), provided that each retained job pays total compensation, including benefits not mandated by law, that on an annualized basis is equal to at least 150 percent of the federal poverty level for a family of four.

(c) The job creation award schedule must be adjusted annually using the percentage increase in the federal poverty level for a family of four.

(d) Minnesota job creation fund businesses seeking an award credit provided under subdivision 4 must submit forms and applications to the Department of Employment and Economic Development as prescribed by the commissioner.

ARTICLE 3

INNOVATIVE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM

Section 1. Minnesota Statutes 2022, section 116J.435, subdivision 3, is amended to read:

Subd. 3. **Grant program established.** (a) The commissioner shall make ~~competitive~~ grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, ~~including demolition of structures and remediation of any hazardous conditions on the land, or to pre-design, design, acquire, and to construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources. The commissioner may waive the requirements related to an eligible project under subdivision 2 if a project would be eligible under this section but for the fact that its location requires infrastructure improvements to residential development.~~

(b) The amount of a grant may not exceed ~~the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.~~

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new innovative businesses and organizations.

Sec. 2. Minnesota Statutes 2022, section 116J.435, subdivision 4, is amended to read:

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include ~~the following information~~ in its application a resolution certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure project

is available and committed. The commissioner must evaluate complete applications for eligible projects using the following criteria:

(1) ~~a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed~~ the project is an eligible project as defined under subdivision 2;

(2) ~~a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project~~ the project is expected to result in or will attract substantial public and private capital investment and provide substantial economic benefit to the county or city in which the project would be located;

(3) ~~an assessment of the potential or likely use of the site for innovative business activities after completion of the public infrastructure and eligible project~~ the project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the project cannot be reasonably accommodated within the county or city in which the business is currently located, or the business would otherwise relocate to another state; and

(4) ~~a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;~~ the project is expected to create or retain full-time jobs.

(5) ~~a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and~~

(6) ~~any additional information or material the commissioner prescribes.~~

(b) The determination of whether to make a grant ~~under subdivision 3~~ for a site is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the ~~priorities~~ criteria are not subject to judicial review, except for abuse of discretion.

Sec. 3. **REPEALER.**

Minnesota Statutes 2022, section 116J.435, subdivision 5, is repealed.

ARTICLE 4

ENERGY TRANSITION ADVISORY COMMITTEE

Section 1. Minnesota Statutes 2022, section 116J.5492, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The advisory committee consists of ~~18~~ 19 voting members and eight ex officio nonvoting members.

(b) The voting members of the advisory committee are appointed by the commissioner of employment and economic development, except as specified below:

(1) two members of the senate, one appointed by the majority leader of the senate and one appointed by the minority leader of the senate;

(2) two members of the house of representatives, one appointed by the speaker of the house of representatives and one appointed by the minority leader of the house of representatives;

(3) one representative of the Prairie Island Indian community;

(4) four representatives of impacted communities, of which two must represent counties and two must represent municipalities, and, to the extent possible, of the impacted facilities in those communities, at least one must be a coal plant, at least one must be a nuclear plant, and at least one must be a natural gas plant;

(5) three representatives of impacted workers at impacted facilities;

(6) one representative of impacted workers employed by companies that, under contract, regularly perform construction, maintenance, or repair work at an impacted facility;

(7) one representative with professional economic development or workforce retraining experience;

(8) two representatives of utilities that operate an impacted facility;

(9) one representative from a nonprofit organization with expertise and experience delivering energy efficiency and conservation programs; ~~and~~

(10) one representative of a school district facing revenue loss due to energy transition; and

~~(10)~~ (11) one representative from the Coalition of Utility Cities.

(c) The ex officio nonvoting members of the advisory committee consist of:

(1) the governor or the governor's designee;

(2) the commissioner of employment and economic development or the commissioner's designee;

(3) the commissioner of commerce or the commissioner's designee;

(4) the commissioner of labor and industry or the commissioner's designee;

(5) the commissioner of revenue or the commissioner's designee;

(6) the executive secretary of the Public Utilities Commission or the secretary's designee;

(7) the commissioner of the Pollution Control Agency or the commissioner's designee; and

(8) the chancellor of the Minnesota State Colleges and Universities or the chancellor's designee.

ARTICLE 5

TECHNICAL CHANGES

Section 1. Laws 2023, chapter 53, article 15, section 32, subdivision 6, is amended to read:

Subd. 6. **Administrative costs.** The commissioner of employment and economic development may use up to one percent of the appropriation made for this section for administrative expenses of the department. The Northland Foundation may use up to five percent of the appropriation made for this section for administrative expenses.

Sec. 2. **LAUNCH MINNESOTA 2023 APPROPRIATION.**

The appropriation for Launch Minnesota in Laws 2023, chapter 53, article 20, section 2, subdivision 2, paragraph (c), is available until June 30, 2027.

ARTICLE 6

SMALL BUSINESS PROGRAM MODIFICATIONS

Section 1. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 1, is amended to read:

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

(b) "Commissioner" means the commissioner of employment and economic development.

(c) "Partner organizations" or "partners" means:

(1) nonprofit organizations or public entities, including higher education institutions, engaged in business development or economic development;

(2) community development financial institutions; ~~or~~

(3) community development corporations; and

(4) Tribal economic development entities.

(d) "Small business" has the meaning given in section 3 of the Small Business Act, United States Code, title 15, section 632.

(e) "Underserved populations and geographies" means individuals who are Black, Indigenous, people of color, veterans, people with disabilities, people who are LGBTQ+, and low-income individuals and includes people from rural Minnesota.

Sec. 2. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 3, is amended to read:

Subd. 3. **Small business assistance partnerships grants.** (a) The commissioner shall make small business assistance partnerships grants to local and regional community-based organizations to provide small business development and technical assistance services to entrepreneurs and small business owners. The commissioner must prioritize applications that provide services to underserved populations and geographies.

(b) Grantees shall use the grant funds to provide high-quality, free ~~or low-cost~~ professional business development and technical assistance services that support the start-up, growth, and success of Minnesota's entrepreneurs and small business owners.

(c) Grantees may use up to 15 percent of grant funds for expenses incurred while administering the grant, including but not limited to expenses related to technology, utilities, legal services, training, accounting, insurance, financial management, benefits, reporting, servicing of loans, and audits.

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.682, subdivision 4, is amended to read:

Subd. 4. **Report.** (a) By January 31 of each year, partner organizations participating in the program must provide a report to the commissioner on the outcomes of the program, including but not limited to the number of entrepreneurs and small businesses served, number of hours of business assistance services provided, number of new businesses started, number of full-time equivalent jobs created and retained, and demographic and geographic details of the individuals being served.

(b) By February 15 of each year, the commissioner must provide a report compiling the information received from the partner organizations under paragraph (a) to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce development. The report must also specify any partner organization that failed to provide the information required under paragraph (a).

Sec. 3. Minnesota Statutes 2023 Supplement, section 116J.8733, is amended to read:

116J.8733 MINNESOTA EXPANDING OPPORTUNITY FUND PROGRAM.

Subdivision 1. **Establishment.** The Minnesota Expanding Opportunity Fund Program is established to capitalize Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions to increase lending activities with Minnesota small businesses.

Subd. 2. **Long-term loans.** The department may make long-term loans of ten to 12 years at 0.5 percent or lower interest rates to nonprofit corporations, Tribal economic development entities, and community development financial institutions to enable nonprofit corporations, Tribal economic development entities, and community development financial institutions to make more loans to Minnesota small businesses. The department may use the interest received to offset the cost of administering small business lending programs.

Subd. 3. **Loan eligibility; nonprofit corporation.** (a) The eligible nonprofit corporation, Tribal economic development entity, or community development financial institution must not meet the definition of recipient under section 116J.993, subdivision 6.

(b) The commissioner may enter into loan agreements with Minnesota nonprofit corporations, Tribal economic development entities, and community development financial institutions that apply to participate in the Minnesota Expanding Opportunity Fund Program. The commissioner shall evaluate applications from applicant nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must

consider, among other things, whether the nonprofit corporation, Tribal economic development entity, or community development financial institution:

(1) meets the statutory definition of a community development financial institution as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994, United States Code, title 12, section 4702;

(2) has a board of directors or loan or credit committee that includes citizens experienced in small business services and community development;

(3) has the technical skills to analyze small business loan requests;

(4) is familiar with other available public and private funding sources and economic development programs;

(5) is enrolled in one or more eligible federally funded state programs; and

(6) has the administrative capacity to manage a loan portfolio.

Subd. 4. **Revolving loan fund.** (a) The commissioner shall establish a revolving loan fund to make loans to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of increasing nonprofit corporation, Tribal economic development entity, and community development financial institution capital and lending activities with Minnesota small businesses.

(b) Nonprofit corporations, Tribal economic development entities, and community development financial institutions that receive loans from the commissioner under the program must establish appropriate accounting practices for the purpose of tracking eligible loans.

Subd. 5. **Loan portfolio administration.** (a) The fee or interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed the Wall Street Journal prime rate plus two percent. A nonprofit corporation, Tribal economic development entity, or community development financial institution participating in the Minnesota Expanding Opportunity Fund Program may charge a loan closing fee equal to or less than two percent of the loan value.

(b) The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain all earnings from fees and interest from loans to small businesses.

(c) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 6. **Cooperation.** A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan shall cooperate with other organizations, including but not limited to community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 7. **Reporting requirements.** (a) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must submit an annual report to the commissioner by February 15 of each year that includes:

- (1) the number of businesses to which a loan was made;
- (2) a description of businesses supported by the program;
- (3) demographic information, as specified by the commissioner, regarding each borrower;
- (4) an account of loans made during the calendar year;
- (5) the program's impact on job creation and retention;
- (6) the source and amount of money collected and distributed by the program;
- (7) the program's assets and liabilities; and
- (8) an explanation of administrative expenses.

(b) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program loan must provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the commissioner.

Sec. 4. Minnesota Statutes 2022, section 116M.18, is amended to read:

116M.18 MINNESOTA EMERGING ENTREPRENEUR PROGRAM.

Subdivision 1. **Establishment.** The Minnesota emerging entrepreneur program is established to award grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities.

Subd. 1a. **Statewide loans.** To the extent there is sufficient eligible demand, loans shall be made so that an approximately equal dollar amount of loans are made to businesses in the metropolitan area as in the nonmetropolitan area. After March 31 of each fiscal year, the department may allow loans to be made anywhere in the state without regard to geographic area.

Subd. 1b. **Grants.** The department shall make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities to encourage private investment, to provide jobs for minority and low-income persons, to create and strengthen minority business enterprises, and to promote economic development in a low-income area.

Subd. 2. **Grant eligibility; ~~nonprofit corporation.~~** (a) The department may enter into agreements with nonprofit corporations, Tribal economic development entities, and community development financial institutions to fund loans the nonprofit corporation, Tribal economic development entity, or community development financial institution makes to businesses owned by minority or low-income persons, women, veterans, or people with disabilities. The department shall

evaluate applications from nonprofit corporations, Tribal economic development entities, and community development financial institutions. In evaluating applications, the department must consider, among other things, whether the nonprofit corporation, Tribal economic development entity, or community development financial institution:

(1) has a board of directors that includes citizens experienced in business and community development, minority business enterprises, addressing racial income disparities, and creating jobs for low-income and minority persons;

(2) has the technical skills to analyze projects;

(3) is familiar with other available public and private funding sources and economic development programs;

(4) can initiate and implement economic development projects;

(5) can establish and administer a revolving loan account or has operated a revolving loan account;

(6) can work with job referral networks which assist minority and low-income persons; and

(7) has established relationships with minority communities.

(b) The department shall review existing agreements with nonprofit corporations, Tribal economic development entities, and community development financial institutions every five years and may renew or terminate the agreement based on the review. In making its review, the department shall consider, among other criteria, the criteria in paragraph (a). The department shall open the program to new applicants every two years.

Subd. 3. **Revolving loan fund.** (a) The department shall establish a revolving loan fund to make grants to nonprofit corporations, Tribal economic development entities, and community development financial institutions for the purpose of making loans to businesses owned by minority or low-income persons, women, veterans, or people with disabilities, and to support minority business enterprises and job creation for minority and low-income persons.

(b) Nonprofit corporations, Tribal economic development entities, and community development financial institutions that receive grants from the department under the program must establish a commissioner-certified revolving loan fund for the purpose of making eligible loans.

(c) Eligible business enterprises include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries.

(d) Loan applications given preliminary approval by the nonprofit corporation, Tribal economic development entity, or community development financial institution must be forwarded to the department for approval. ~~The commissioner must give final approval for each loan made by the nonprofit corporation.~~ Nonprofit corporations, Tribal economic development entities, and community development financial institutions designated as preferred partners do not need final approval by the commissioner. All other loans must be approved by the commissioner and the commissioner must make approval decisions within 20 days of receiving a loan application unless the application

contains insufficient information to make an approval decision. The amount of the state funds contributed to any loan may not exceed 50 percent of each loan. The commissioner must develop the criteria necessary to receive loan forgiveness.

Subd. 4. **Business loan criteria.** (a) The criteria in this subdivision apply to loans made by nonprofit corporations, Tribal economic development entities, and community development financial institutions under the program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the program.

(c) A loan must be used to support a business owned by a minority or a low-income person, woman, veteran, or a person with disabilities. Priority must be given for loans to the lowest income areas.

(d) The minimum state contribution to a loan is \$5,000 and the maximum is \$150,000.

(e) The state contribution must be matched by at least an equal amount of new private investment.

(f) A loan may not be used for a retail development project.

(g) The business must agree to work with job referral networks that focus on minority and low-income applicants.

(h) Up to ten percent of a loan's principal amount may be forgiven if ~~the department approves and the borrower has met lender and agency criteria,~~ including being current with all payments, for at least two years. The commissioner must develop the criteria for receiving loan forgiveness.

Subd. 4a. **Microenterprise loan.** (a) Program grants may be used to make microenterprise loans to small, beginning businesses, including a sole proprietorship. Microenterprise loans are subject to this section except that:

(1) they may also be made to qualified retail businesses;

(2) they may be made for a minimum of \$5,000 and a maximum of ~~\$35,000~~ \$40,000;

(3) in a low-income area, they may be made for a minimum of \$5,000 and a maximum of ~~\$50,000~~ \$55,000; and

(4) they do not require a match.

(b) Up to ten percent of a loan's principal amount may be forgiven if ~~the department approves and the borrower has met lender~~ criteria developed by the lender and the commissioner, including being current with all payments, for at least two years.

Subd. 5. **Revolving fund administration.** (a) The department shall establish a minimum interest rate or fee for loans or guarantees to ensure that necessary loan administration costs are covered. The interest rate charged by a nonprofit corporation, Tribal economic development entity, or community development financial institution for a loan under this subdivision must not exceed the Wall Street Journal prime rate plus four two percent, with a maximum rate of ten percent. For a loan

under this subdivision, the nonprofit corporation, Tribal economic development entity, or community development financial institution may charge a loan origination fee equal to or less than one percent of the loan value. The nonprofit corporation, Tribal economic development entity, or community development financial institution may retain the amount of the origination fee.

(b) Loan repayment of principal must be paid to the department for deposit in the revolving loan fund. Loan interest payments must be deposited in a revolving loan fund created by the nonprofit corporation, Tribal economic development entity, or community development financial institution originating the loan being repaid for further distribution or use, consistent with the criteria of this section.

(c) Administrative expenses of the nonprofit corporations, Tribal economic development entities, and community development financial institutions with whom the department enters into agreements, including expenses incurred by a nonprofit corporation, Tribal economic development entity, or community development financial institution in providing financial, technical, managerial, and marketing assistance to a business enterprise receiving a loan under subdivision 4, may be paid out of the interest earned on loans and out of interest earned on money invested by the state Board of Investment under section 116M.16, subdivision 2, as may be provided by the department.

(d) The department must provide the nonprofit corporation, Tribal economic development entity, or community development financial institution making the loan with a fee equal to one percent of the loan value for every loan closed to offset related expenses for loan processing, loan servicing, legal filings, and reporting.

Subd. 7. Cooperation. A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. Reporting requirements. (a) A nonprofit corporation, Tribal economic development entity, or community development financial institution that receives a program grant shall:

(1) submit an annual report to the department by February 15 of each year that includes a description of businesses supported by the grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and low-income persons, the source and amount of money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the department.

(b) By March 1 of each year, the commissioner must provide a report compiling the information received from nonprofit corporations, Tribal economic development entities, and community development financial institutions under paragraph (a) to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce development. The report must also specify any nonprofit corporations, Tribal economic development entities, or community development financial institutions that failed to provide the information required under paragraph (a).

Subd. 9. **Small business emergency loan account.** The small business emergency loan account is created as an account in the special revenue fund.

Sec. 5. Laws 2023, chapter 53, article 15, section 33, subdivision 4, is amended to read:

Subd. 4. **Loans to community businesses.** (a) A partner organization that receives a grant under subdivision 3 shall establish a plan for making low-interest loans to community businesses. The plan requires approval by the commissioner.

(b) Under the plan:

- (1) the state contribution to each loan shall be no less than \$50,000 and no more than \$500,000;
- (2) loans shall be made for projects that are unlikely to be undertaken unless a loan is received under the program;
- (3) priority shall be given to loans to businesses in the lowest income areas;
- (4) the fee or interest rate on a loan shall not be higher than ~~the Wall Street Journal prime~~ a rate of ten percent;
- (5) 50 percent of all repayments of principal on a loan under the program shall be used to fund additional related lending. The partner organization may retain the remainder of loan repayments to service loans and provide further technical assistance;
- (6) the partner organization may charge a loan origination fee of no more than one percent of the loan value and may retain that origination fee; ~~and~~
- (7) a partner organization may not make a loan to a project in which it has an ownership interest; and
- (8) up to 15 percent of a loan's principal amount may be forgiven by the partner organization if the borrower has met all lending criteria developed by the partner organization and the commissioner, including creating or retaining jobs and being current with all loan payments, for at least two years.

Sec. 6. Laws 2023, chapter 53, article 15, section 33, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) The partner organization shall submit a report to the commissioner by ~~January~~ December 31 of 2024, 2025, and 2026. The report shall include:

- (1) an account of all loans made through the program the preceding calendar year and the impact of those loans on community businesses and job creation for targeted groups;
- (2) information on the source and amount of money collected and distributed under the program, its assets and liabilities, and an explanation of administrative expenses; and
- (3) an independent audit of grant funds performed in accordance with generally accepted accounting practices and auditing standards.

(b) By February 15 of ~~2024~~, 2025, ~~and 2026~~, and 2027, the commissioner shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over workforce and economic development on program outcomes, including copies of all reports received under paragraph (a).

ARTICLE 7

INDEPENDENT LIVING SERVICES

Section 1. Minnesota Statutes 2022, section 268A.11, is amended to read:

268A.11 INDEPENDENT LIVING SERVICES.

Subdivision 1. **Purposes and services.** The purposes of independent living services and the services that are to be provided are those that are consistent with Code of Federal Regulations, title 34, ~~parts 365 to 367~~ 45, part 1329.

Subd. 2. **Administration.** This section shall be administered by the Department of Employment and Economic Development through the Vocational Rehabilitation Services Program. The department may employ staff as reasonably required to administer this section and may accept and receive funds from nonstate sources for the purpose of effectuating this section.

Subd. 3. **Certification.** No applicant Center for Independent Living may receive funding under this section unless it has received certification from the Vocational Rehabilitation Services Program.

The Vocational Rehabilitation Services Program shall review the programs of Centers for Independent Living receiving funds from under this section to determine their adherence to compliance with the standards adopted by rule and if the standards are substantially met defined in section 725(b) and assurances in section 725(c) of the Rehabilitation Act of 1973, and, if fulfilled, shall issue appropriate certifications.

Subd. 4. **Application of Centers for Independent Living.** The Vocational Rehabilitation Services Program shall require Centers for Independent Living to complete application forms, expenditure reports, and proposed plans and budgets. These reports must be in the manner and on the form prescribed by the Vocational Rehabilitation Services Program. When applying, the Center for Independent Living shall agree to provide reports and records, and make available records for audit as may be required by the Vocational Rehabilitation Services Program.

The applicant Center for Independent Living shall be notified in writing by the Vocational Rehabilitation Services Program concerning the approval of budgets and plans.

ARTICLE 8

PUBLIC FACILITIES AUTHORITY

Section 1. Minnesota Statutes 2022, section 446A.072, subdivision 5a, is amended to read:

Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving grant funding from the USDA/RECD, the authority may provide assistance in the form of a grant of up to 65

percent of the eligible grant need determined by USDA/RECD. A governmental unit may not receive a grant under this paragraph for more than ~~\$5,000,000~~ \$10,000,000 per project or \$20,000 per existing connection, whichever is less, unless specifically approved by law.

(b) For a governmental unit receiving a loan from the clean water revolving fund under section 446A.07, the authority may provide assistance under this section in the form of a grant if the average annual residential wastewater system cost after completion of the project would otherwise exceed 1.4 percent of the median household income of the project service area. In determining whether the average annual residential wastewater system cost would exceed 1.4 percent, the authority must consider the total costs associated with building, operating, and maintaining the wastewater system, including existing wastewater debt service, debt service on the eligible project cost, and operation and maintenance costs. Debt service costs for the proposed project are calculated based on the maximum loan term permitted for the clean water revolving fund loan under section 446A.07, subdivision 7. The amount of the grant is equal to 80 percent of the amount needed to reduce the average annual residential wastewater system cost to 1.4 percent of median household income in the project service area, to a maximum of ~~\$5,000,000~~ \$10,000,000 per project or \$20,000 per existing connection, whichever is less, unless specifically approved by law. The eligible project cost is determined by multiplying the total project costs minus any other grants by the essential project component percentage calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the eligible project cost.

(c) For a governmental unit receiving a loan from the drinking water revolving fund under section 446A.081, the authority may provide assistance under this section in the form of a grant if the average annual residential drinking water system cost after completion of the project would otherwise exceed 1.2 percent of the median household income of the project service area. In determining whether the average annual residential drinking water system cost would exceed 1.2 percent, the authority must consider the total costs associated with building, operating, and maintaining the drinking water system, including existing drinking water debt service, debt service on the eligible project cost, and operation and maintenance costs. Debt service costs for the proposed project are calculated based on the maximum loan term permitted for the drinking water revolving fund loan under section 446A.081, subdivision 8, paragraph (c). The amount of the grant is equal to 80 percent of the amount needed to reduce the average annual residential drinking water system cost to 1.2 percent of median household income in the project service area, to a maximum of ~~\$5,000,000~~ \$10,000,000 per project or \$20,000 per existing connection, whichever is less, unless specifically approved by law. The eligible project cost is determined by multiplying the total project costs minus any other grants by the essential project component percentage calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the eligible project cost.

(d) Notwithstanding the limits in paragraphs (a), (b), and (c), for a governmental unit receiving supplemental assistance under this section after January 1, 2002, if the authority determines that the governmental unit's construction and installation costs are significantly increased due to geological conditions of crystalline bedrock or karst areas and discharge limits that are more stringent than secondary treatment, the maximum award under this section shall not be more than \$25,000 per existing connection.

Sec. 2. Minnesota Statutes 2022, section 446A.073, subdivision 1, is amended to read:

Subdivision 1. **Program established.** When money is appropriated for grants under this program, the authority shall award grants up to a maximum of ~~\$7,000,000~~ \$12,000,000 to governmental units to cover 80 percent of the cost of water infrastructure projects made necessary by:

(1) a wasteload reduction prescribed under a total maximum daily load plan required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);

(2) a phosphorus concentration or mass limit which requires discharging one milligram per liter or less at permitted design flow which is incorporated into a permit issued by the Pollution Control Agency;

(3) any other water quality-based effluent limit established under section 115.03, subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the Pollution Control Agency that exceeds secondary treatment limits; or

(4) a total nitrogen concentration or mass limit that requires discharging ten milligrams per liter or less at permitted design flow."

Delete the title and insert:

"A bill for an act relating to economic development; making policy and technical changes to programs under the Department of Employment and Economic Development; requiring reports; amending Minnesota Statutes 2022, sections 116J.435, subdivisions 3, 4; 116J.5492, subdivision 2; 116J.8748, subdivision 1; 116M.18; 268A.11; 446A.072, subdivision 5a; 446A.073, subdivision 1; Minnesota Statutes 2023 Supplement, sections 116J.682, subdivisions 1, 3, 4; 116J.8733; 116J.8748, subdivisions 3, 4, 6; 116L.17, subdivision 1; Laws 2023, chapter 53, article 15, sections 32, subdivision 6; 33, subdivisions 4, 5; repealing Minnesota Statutes 2022, sections 116J.435, subdivision 5; 116L.17, subdivision 5."

And when so amended the bill do pass. Amendments adopted. Report adopted.

REPORT OF VOTE IN COMMITTEE

Pursuant to Rule 12.10, upon the request of three members, a roll call was taken on the Pratt amendment to S.F. No. 4027.

There were yeas 4 and nays 5, as follows:

Those who voted in the affirmative were:

Senators Draheim, Housley, Nelson, and Pratt.

Those who voted in the negative were:

Senators Champion, Gustafson, Hawj, Mohamed, and Putnam.

The amendment was not adopted.

Senator Frentz from the Committee on Energy, Utilities, Environment, and Climate, to which was re-referred

S.F. No. 4742: A bill for an act relating to labor; requiring safety standards for broadband industry installers; implementing the Broadband Equity, Access, and Deployment Program; amending Minnesota Statutes 2022, sections 116J.395, subdivision 6; 216B.17, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 116J; 181.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 27, delete "or" and after "women" insert ", or people with disabilities"

Page 4, after line 33, insert:

"Subd. 6. **Federal grant requirements.** The commissioner shall have authority not to enforce or apply any requirement of this section to the extent that such requirement would prevent the state from receiving federal broadband grant funding."

And when so amended the bill do pass and be re-referred to the Committee on Agriculture, Broadband, and Rural Development. Amendments adopted. Report adopted.

Senator Putnam from the Committee on Agriculture, Broadband, and Rural Development, to which was referred

S.F. No. 4225: A bill for an act relating to agriculture; modifying provisions related to the Minnesota Rural Finance Authority; amending Minnesota Statutes 2023 Supplement, section 41B.0391, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

AGRICULTURAL POLICY

Section 1. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 1a. **Definitions.** (a) "Approved agent" means a person authorized by the Department of Agriculture to determine if crop or fence damage was caused by elk and to assign a monetary value to the crop or fence damage.

(b) "Commissioner" means the commissioner of agriculture or the commissioner's authorized representative.

(c) "Estimated value" means the current value of crops or fencing as determined by an approved agent.

(d) "Owner" means an individual, firm, corporation, copartnership, or association with an interest in crops or fencing damaged by elk.

Sec. 2. Minnesota Statutes 2022, section 3.7371, subdivision 2, is amended to read:

Subd. 2. **Claim form and reporting.** (a) The owner must prepare a claim on forms provided by the commissioner and available on the Department of Agriculture's website or by request from the commissioner. ~~The claim form must be filed with the commissioner.~~

(b) After discovering crop or fence damage suspected to be caused by elk, an owner must promptly notify an approved agent of the damage. To submit a claim for crop or fence damage caused by elk, an owner must complete the required portions of the claim form provided by the commissioner. An owner who has submitted a claim must provide an approved agent with all information required to investigate the crop or fence damage.

Sec. 3. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 2a. **Investigation and crop valuation.** (a) Upon receiving notification of crop or fence damage suspected to be caused by elk, an approved agent must promptly investigate the damage in a timely manner. An approved agent must make written findings on the claim form regarding whether the crop was destroyed or damaged by elk. The approved agent's findings must be based on physical and circumstantial evidence, including:

(1) the condition of the crop or fence;

(2) the presence of elk tracks;

(3) the geographic area of the state where the crop or fence damage occurred;

(4) any sightings of elk in the area; and

(5) any other circumstances that the approved agent considers to be relevant.

(b) The absence of affirmative evidence may be grounds for the denial of a claim.

(c) On a claim form, an approved agent must make written findings of the extent of crop or fence damage and, if applicable, the amount of crop destroyed.

(d) For damage to standing crops, an owner may choose to have the approved agent use the method in clause (1) or (2) to complete the claim form and determine the amount of crop loss:

(1) to submit a claim form to the commissioner at the time that the suspected elk damage is discovered, the approved agent must record on the claim form: (i) the field's potential yield per acre; (ii) the field's average yield per acre that is expected on the damaged acres; (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon completing the claim form, the approved agent must submit the form to the commissioner; or

(2) to submit a claim form to the commissioner at the time that the crop is harvested, the approved agent must record on the claim form at the time of the investigation: (i) the percent of crop loss from damage; (ii) the actual yield of the damaged field when the crop is harvested; (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon completing the claim form, the approved agent must submit the form to the commissioner.

(e) For damage to stored crops, an approved agent must record on the claim form: (1) the type and volume of destroyed stored crops; (2) the estimated value of the crop; and (3) the total amount of the loss.

(f) For damage to fencing, an approved agent must record on the claim form: (1) the type of materials damaged; (2) the linear feet of the damage; (3) the value of the materials per unit according to National Resource Conservation Service specifications; and (4) the calculated total damage to the fence.

Sec. 4. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 2b. **Claim form.** A completed claim form must be signed by the owner and an approved agent. An approved agent must submit the claim form to the commissioner for the commissioner's review and payment. The commissioner must return an incomplete claim form to the approved agent. When returning an incomplete claim form to an approved agent, the commissioner must indicate which information is missing from the claim form.

Sec. 5. Minnesota Statutes 2022, section 3.7371, subdivision 3, is amended to read:

Subd. 3. **Compensation.** (a) ~~The crop~~ An owner is entitled to the ~~target price or the market price, whichever is greater,~~ estimated value of the damaged or destroyed crop ~~plus adjustments for yield loss determined according to agricultural stabilization and conservation service programs for individual farms, adjusted annually, as determined by the commissioner, upon recommendation of the commissioner's approved agent for the owner's county or fence.~~ Verification of crop or fence damage or destruction by elk may be provided by submitting photographs or other evidence and documentation ~~together with a statement from an independent witness~~ using forms prescribed by the commissioner. The commissioner, upon recommendation of the commissioner's approved agent, shall determine whether the crop damage or destruction or damage to or destruction of a fence surrounding a crop or pasture is caused by elk and, if so, the amount of the crop or fence that is damaged or destroyed. In any fiscal year, an owner may not be compensated for a damaged or destroyed crop or fence surrounding a crop or pasture that is less than \$100 in value and may be compensated up to \$20,000, as determined under this section, ~~if normal harvest procedures for the area are followed.~~ An owner may not be compensated more than \$1,800 per fiscal year for damage to fencing surrounding a crop or pasture.

(b) In any fiscal year, the commissioner may provide compensation for claims filed under this section up to the amount expressly appropriated for this purpose.

Sec. 6. Minnesota Statutes 2023 Supplement, section 17.710, is amended to read:

17.710 AGRICULTURAL CONTRACTS.

(a) A production or marketing contract entered into, renewed, or amended on or after July 1, 1999 2024, between an agricultural producer and a processor, marketer, or other purchaser of agricultural products, including a cooperative organized under chapter 308A or 308B must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

(b) A contract entered into, renewed, or amended on or after July 1, 2023, between an agricultural producer and an entity buying, selling, certifying, or otherwise participating in a market for stored carbon must not contain provisions that prohibit the producer from disclosing terms, conditions, and prices contained in the contract. Any provision prohibiting disclosure by the producer is void.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 1c. **Beneficial substance.** "Beneficial substance" is any substance or compound other than a primary, secondary, and micro plant nutrient that can be demonstrated by scientific research to be beneficial to one or more species of plants, soil, or media.

Sec. 8. Minnesota Statutes 2022, section 18C.005, subdivision 33, is amended to read:

Subd. 33. **Soil amendment.** "Soil amendment" means a substance intended to improve the structural, physical, chemical, biochemical, or biological characteristics of the soil or modify organic matter at or near the soil surface, except fertilizers, agricultural liming materials, pesticides, and other materials exempted by the commissioner's rules.

Sec. 9. Minnesota Statutes 2022, section 18C.115, subdivision 2, is amended to read:

Subd. 2. **Adoption of national standards.** Applicable national standards contained in the ~~1996 official publication, number 49,~~ most recently published version of the Association of American Plant Food Control Officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 10. Minnesota Statutes 2022, section 18C.215, subdivision 1, is amended to read:

Subdivision 1. **Packaged fertilizers.** (a) A person may not sell or distribute specialty fertilizer in bags or other containers in this state unless a label is placed on or affixed to the bag or container stating in a clear, legible, and conspicuous form the following information:

- (1) the net weight and volume, if applicable;
- (2) the brand and grade, except the grade is not required if primary nutrients are not claimed;
- (3) the guaranteed analysis;
- (4) the name and address of the guarantor;
- (5) directions for use, except directions for use are not required for custom blend specialty fertilizers; and
- (6) a derivatives statement.

(b) A person may not sell or distribute fertilizer for agricultural purposes in bags or other containers in this state unless a label is placed on or affixed to the bag or container stating in a clear, legible, and conspicuous form the information listed in paragraph (a), clauses (1) to (4), except:

- (1) the grade is not required if primary nutrients are not claimed; and
- (2) the grade on the label is optional if the fertilizer is used only for agricultural purposes and the guaranteed analysis statement is shown in the complete form as in section 18C.211.
- (c) The labeled information must appear:
 - (1) on the front or back side of the container;
 - (2) on the upper one-third of the side of the container;
 - (3) on the upper end of the container; or
 - (4) printed on a tag affixed to the upper end of the container.
- (d) If a person sells a custom blend specialty fertilizer in bags or other containers, the information required in paragraph (a) must either be affixed to the bag or container as required in paragraph (c) or be furnished to the customer on an invoice or delivery ticket in written or printed form.

Sec. 11. Minnesota Statutes 2022, section 18C.221, is amended to read:

18C.221 FERTILIZER PLANT FOOD CONTENT.

- (a) Products that are deficient in plant food content are subject to this subdivision.
- (b) An analysis must show that a fertilizer is deficient:
 - (1) in one or more of its guaranteed primary plant nutrients beyond the investigational allowances and compensations as established by regulation; or
 - (2) if the overall index value of the fertilizer is shown below the level established by rule.
- (c) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity is not distinguishable from a deficiency due to actual plant nutrient shortage and is properly subject to official action.
- (d) For the purpose of determining the commercial index value to be applied, the commissioner shall determine at least annually the values per unit of nitrogen, available ~~phosphoric acid~~ phosphate, and soluble potash in fertilizers in this state.
- (e) If a fertilizer in the possession of the consumer is found by the commissioner to be short in weight, the registrant or licensee of the fertilizer must submit a penalty payment of two times the value of the actual shortage to the consumer within 30 days after official notice from the commissioner.

Sec. 12. Minnesota Statutes 2022, section 28A.151, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Farmers' market" means an association of three or more persons who assemble at a defined location that is open to the public for the purpose of selling ~~directly to the consumer~~ the products of a farm or garden occupied and cultivated by the person selling the product.

(c) "Food product sampling" means distributing to individuals at a farmers' market or community event, for promotional or educational purposes, small portions of a food item that include as a main ingredient a product sold by the vendor ~~at the farmers' market or community event~~. For purposes of this subdivision, "small portion" means a portion that is no more than three ounces of food or beverage.

(d) "Food product demonstration" means cooking or preparing food products to distribute to individuals at a farmers' market or community event for promotional or educational purposes.

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

Sec. 13. Minnesota Statutes 2022, section 28A.151, subdivision 2, is amended to read:

Subd. 2. **Food sampling and demonstration.** (a) Food used in sampling and demonstration must be obtained from sources that comply with Minnesota Food Law.

(b) Raw animal, raw poultry, and raw fish products must not be served as samples.

(c) Food product sampling or food product demonstrations including cooked animal, poultry, or fish products must be prepared on site at the event.

(d) Animal or poultry products used for food product sampling or food product demonstrations must be from animals slaughtered under continuous inspection, either by the USDA or through Minnesota's "Equal-to" inspection program.

(e) The licensing provisions of sections 28A.01 to 28A.16 shall not apply to persons engaged in food product sampling or food product demonstrations.

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

Sec. 14. Minnesota Statutes 2022, section 28A.151, subdivision 3, is amended to read:

Subd. 3. **Food required to be provided at no cost.** Food provided through food product sampling or food product demonstrations must be provided at no cost to the individual recipient of a sample.

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

Sec. 15. Minnesota Statutes 2022, section 28A.151, subdivision 5, is amended to read:

Subd. 5. **Food safety and equipment standards.** (a) Any person conducting food product sampling or food product demonstrations shall meet the same food safety and equipment standards that are required of a special event food stand in Minnesota Rules, parts 4626.1855, items B to O, Q, and R; and 4626.0330.

(b) Notwithstanding paragraph (a), a handwashing device is not required when only prepackaged food samples are offered.

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

Sec. 16. Minnesota Statutes 2022, section 28A.151, is amended by adding a subdivision to read:

Subd. 7. Signage. A food product provided through food product sampling or food product demonstrations must be accompanied by a legible sign or placard that lists the product's ingredients and major food allergens.

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

Sec. 17. Minnesota Statutes 2022, section 28A.21, subdivision 6, is amended to read:

Subd. 6. Expiration. This section expires June 30, ~~2027~~ 2037.

Sec. 18. Minnesota Statutes 2023 Supplement, section 35.155, subdivision 12, is amended to read:

Subd. 12. Importation. (a) A person must not import live Cervidae into the state from a state or province where chronic wasting disease has been detected in the farmed or wild cervid population in the last five years unless the animal has tested not detected for chronic wasting disease with a validated live-animal test.

(b) Live Cervidae or Cervidae semen must originate from a herd that has been subject to a state-, federal-, or provincial-approved chronic wasting disease herd certification program and that has reached a status equivalent to the highest certification.

(c) Cervidae imported in violation of this section may be seized and destroyed by the commissioner of natural resources.

(d) This subdivision does not apply to the interstate transfer of animals between two facilities accredited by the Association of Zoos and Aquariums or between a facility accredited by the Association of Zoos and Aquariums and a facility that (1) is a United States Department of Agriculture-licensed exhibitor of regulated animals, (2) houses animals owned by institutions accredited by the American Zoo and Aquarium Association, and (3) participates in the American Zoo and Aquarium Association Species Survival Plan.

(e) Notwithstanding this subdivision, the commissioner of natural resources may issue a permit allowing the importation of orphaned wild cervid species that are not susceptible to chronic wasting disease from another state to an Association of Zoos and Aquariums accredited institution in Minnesota following a joint risk-based assessment conducted by the commissioner and the institution.

Sec. 19. Minnesota Statutes 2023 Supplement, section 41A.30, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Aircraft" has the meaning given in section 296A.01, subdivision 3.

(c) "Aviation gasoline" has the meaning given in section 296A.01, subdivision 7.

(d) "Commissioner" means the commissioner of agriculture.

(e) "Jet fuel" has the meaning given in section 296A.01, subdivision 8.

(f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision 6, that is engaged in the business of:

(1) producing sustainable aviation fuel; or

(2) blending sustainable aviation fuel with aviation gasoline or jet fuel.

(g) "Sustainable aviation fuel" means liquid fuel that:

(1) is derived from biomass, as defined in section 41A.15, subdivision 2e; is derived from gaseous carbon oxides derived from biomass or direct air capture; or is derived from green electrolytic hydrogen;

(2) is not derived from palm fatty acid distillates; and

(3) achieves at least a 50 percent life cycle greenhouse gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel as determined by a test that shows:

(i) that the fuel production pathway achieves at least a 50 percent life cycle greenhouse gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel utilizing the most recent version of Argonne National Laboratory's Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model that accounts for reduced emissions throughout the fuel production process; or

(ii) that the fuel production pathway achieves at least a 50 percent reduction of the aggregate attributional core life cycle emissions and the positive induced land use change values under the life cycle methodology for sustainable aviation fuels adopted by the International Civil Aviation Organization with the agreement of the United States.

Sec. 20. Minnesota Statutes 2023 Supplement, section 41B.0391, subdivision 4, is amended to read:

Subd. 4. **Authority duties.** (a) The authority shall:

(1) approve and certify or recertify beginning farmers as eligible for the program under this section;

(2) approve and certify or recertify owners of agricultural assets as eligible for the tax credit under subdivision 2 subject to the allocation limits in paragraph (c);

(3) provide necessary and reasonable assistance and support to beginning farmers for qualification and participation in financial management programs approved by the authority;

(4) refer beginning farmers to agencies and organizations that may provide additional pertinent information and assistance; and

(5) notwithstanding section 41B.211, the Rural Finance Authority must share information with the commissioner of revenue to the extent necessary to administer provisions under this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority must annually notify the commissioner of revenue of approval and certification or recertification of beginning farmers and owners of agricultural assets under this section. For credits under subdivision 2, the notification must include the amount of credit approved by the authority and stated on the credit certificate.

(b) The certification of a beginning farmer or an owner of agricultural assets under this section is valid for the year of the certification and the two following years, after which time the beginning farmer or owner of agricultural assets must apply to the authority for recertification.

(c) For credits for owners of agricultural assets allowed under subdivision 2, the authority must not allocate more than ~~\$6,500,000 for taxable years beginning after December 31, 2022, and before January 1, 2024, and \$4,000,000 for each taxable years beginning after December 31, 2023 year.~~ The authority must allocate credits on a first-come, first-served basis beginning on January 1 of each year, except that recertifications for the second and third years of credits under subdivision 2, paragraph (a), clauses (1) and (2), have first priority. Any amount authorized but not allocated for taxable years ending before January 1, 2023, is canceled and is not allocated for future taxable years. For taxable years beginning after December 31, 2022, Any amount authorized but not allocated in any taxable year does not cancel and is added to the allocation for the next taxable year. For each taxable year, 50 percent of newly allocated credits must be allocated to emerging farmers. Any portion of a taxable year's newly allocated credits that is reserved for emerging farmers that is not allocated by ~~September 30~~ May 31 of the taxable year is available for allocation to other credit allocations beginning on ~~October~~ June 1.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2023.

Sec. 21. Minnesota Statutes 2022, section 223.17, subdivision 6, is amended to read:

Subd. 6. **Financial statements.** (a) Except as allowed in paragraph (c), a grain buyer licensed under this chapter must annually submit to the commissioner a financial statement prepared by a third-party independent accountant or certified public accountant in accordance with generally accepted accounting principles national or international accounting standards. ~~generally accepted accounting principles~~ The annual financial statement required under this subdivision must also:

(1) include, but not be limited to the following:

(i) a balance sheet;

(ii) a statement of income (profit and loss);

(iii) a statement of retained earnings;

(iv) a statement of ~~changes in financial position~~ cash flow; and

(v) a statement of the dollar amount of grain purchased in the previous fiscal year of the grain buyer;

(2) be accompanied by a ~~compilation~~ report of the financial statement that is prepared by a grain commission firm or a management firm approved by the commissioner or by an independent public accountant, in accordance with standards established by the American Institute of Certified Public Accountants or similar international standards;

~~(3) be accompanied by a certification by the chief executive officer or the chief executive officer's designee of the licensee, and where applicable, all members of the governing board of directors under penalty of perjury, that the financial statement accurately reflects the financial condition of the licensee for the period specified in the statement;~~

~~(4) for grain buyers purchasing under \$7,500,000 of grain annually, be reviewed by a certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants, and must show that the financial statements are free from material misstatements; and~~

~~(5)~~ (3) for grain buyers purchasing \$7,500,000 or more of grain annually, be audited or reviewed by a certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants ~~and~~ or similar international standards. An audit must include an opinion statement from the certified public accountant: performing the audit; and

(4) for grain buyers purchasing \$20,000,000 or more of grain annually, be audited by a certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants or similar international standards. The audit must include an opinion statement from the certified public accountant performing the audit.

(b) Only one financial statement must be filed for a chain of warehouses owned or operated as a single business entity, unless otherwise required by the commissioner. All financial statements filed with the commissioner are private or nonpublic data as provided in section 13.02.

(c) A grain buyer who purchases grain immediately upon delivery solely with cash; ~~a certified check; a cashier's check; or a postal, bank, or express money order~~, as defined in section 223.16, subdivision 2a, paragraph (b), is exempt from this subdivision ~~if the grain buyer's gross annual purchases are \$1,000,000 or less.~~

(d) To ensure compliance with this chapter, the commissioner must annually review financial statements submitted under paragraph (a).

~~(4)~~ (e) The commissioner shall annually provide information on a person's fiduciary duties to each licensee. ~~To the extent practicable, the commissioner must direct each licensee to provide this information to all persons required to certify the licensee's financial statement under paragraph (a); clause (3).~~

(f) The commissioner may require an entity to provide additional financial statements or financial reporting, including audited financial statements.

Sec. 22. Minnesota Statutes 2022, section 232.21, subdivision 3, is amended to read:

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of agriculture or the commissioner's designee.

Sec. 23. Minnesota Statutes 2022, section 232.21, subdivision 7, is amended to read:

Subd. 7. **Grain.** "Grain" means any ~~cereal grain, coarse grain, or oilseed in unprocessed form for which a standard has been established by the United States Secretary of Agriculture, dry edible beans, or agricultural crops designated by the commissioner by rule~~ product commonly referred to as grain, including wheat, corn, oats, barley, rye, rice, soybeans, emmer, sorghum, triticale, millet, pulses, dry edible beans, sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, and other products ordinarily stored in grain warehouses.

Sec. 24. Minnesota Statutes 2022, section 232.21, subdivision 11, is amended to read:

Subd. 11. **Producer.** "Producer" means a person who ~~owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing that grain produced~~ grows grain on land owned or leased by the person.

Sec. 25. Minnesota Statutes 2022, section 232.21, subdivision 12, is amended to read:

Subd. 12. **Public grain warehouse operator.** "Public grain warehouse operator" means: (1) a person licensed to operate who operates a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase; or, (2) a person who offers grain storage or grain warehouse facilities to the public for hire; or (3) a feed-processing plant that receives and stores grain, the equivalent of which, it processes and returns to the grain's owner in amounts, at intervals, and with added ingredients that are mutually agreeable to the grain's owner and the person operating the plant.

Sec. 26. Minnesota Statutes 2022, section 232.21, subdivision 13, is amended to read:

Subd. 13. **Scale ticket.** "Scale ticket" means a memorandum showing the weight, ~~grade~~ and kind of grain which is issued by a grain elevator or warehouse operator to a depositor at the time the grain is delivered.

Sec. 27. [346.021] FINDER TO GIVE NOTICE.

A person who finds an estray and knows who owns the estray must notify the estray's owner within seven days after finding the estray and request that the owner pay all reasonable charges and take the estray away. A finder who does not know who owns an estray must either:

(1) within ten days, file a notice with the town or city clerk and post a physical or online notice of the finding of the estray. The notice must briefly describe the estray or provide a photograph of the estray, provide the residence or contact information of the finder, and provide the approximate location and time when the finder found the estray; or

(2) surrender the estray to a local animal control agency within seven days.

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

Sec. 28. Laws 2023, chapter 43, article 2, section 142, subdivision 9, is amended to read:

Subd. 9. **Dairy law.** Minnesota Statutes 2022, sections 17.984; 32D.03, subdivision 5; 32D.24; 32D.25, subdivision 1; 32D.26; 32D.27; and 32D.28, are repealed.

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

Sec. 29. **REVIVAL AND REENACTMENT.**

Minnesota Statutes, section 32D.25, subdivision 2, is revived and reenacted effective retroactively from July 1, 2023.

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

Sec. 30. **LAND OWNERSHIP VIOLATION REPORTING.**

The commissioner of agriculture must establish and maintain an accessible and anonymous means for a person to report potential violations of the corporate farm law and alien farm law in Minnesota Statutes, sections 500.221 and 500.24.

Sec. 31. **REPORT REQUIRED; COOPERATIVE FINANCIAL REPORTING.**

The commissioner of agriculture shall convene a cooperative financial reporting workgroup, which must include producers who sell to a cooperative and representatives from cooperative management. The commissioner shall develop recommendations relating to requirements for cooperatives to report on financial condition and report back with recommendations to the legislative committees with jurisdiction over agriculture by January 3, 2025. Participating stakeholders must be given an opportunity to include written testimony to the legislative committees in the commissioner's report.

Sec. 32. **REPEALER.**

(a) Minnesota Statutes 2022, section 3.7371, subdivision 7, is repealed.

(b) Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; and 1506.0040, are repealed.

ARTICLE 2

PESTICIDE CONTROL POLICY

Section 1. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 1d. **Application or use of a pesticide.** "Application or use of a pesticide" includes:

(1) the dispersal of a pesticide on, in, at, or directed toward a target site;

(2) preapplication activities that involve the mixing and loading of a restricted use pesticide;
and

(3) other restricted use pesticide-related activities, including but not limited to transporting or storing pesticide containers that have been opened; cleaning equipment; and disposing of excess pesticides, spray mix, equipment wash waters, pesticide containers, and other materials that contain pesticide.

Sec. 2. Minnesota Statutes 2022, section 18B.26, subdivision 6, is amended to read:

Subd. 6. **Discontinuance or cancellation of registration.** (a) To ensure the complete withdrawal from distribution or further use of a pesticide, a person who intends to discontinue a pesticide registration must:

(1) terminate a further distribution within the state and continue to register the pesticide annually for two successive years; and

(2) initiate and complete a total recall of the pesticide from all distribution in the state within 60 days from the date of notification to the commissioner of intent to discontinue registration; ~~or.~~

~~(3) submit to the commissioner evidence adequate to document that no distribution of the registered pesticide has occurred in the state.~~

(b) Upon the request of a registrant, the commissioner may immediately cancel registration of a pesticide product. The commissioner may immediately cancel registration of a pesticide product at the commissioner's discretion. When requesting that the commissioner immediately cancel registration of a pesticide product, a registrant must provide the commissioner with:

(1) a statement that the pesticide product is no longer in distribution; and

(2) documentation of pesticide gross sales from the previous year supporting the statement under clause (1).

Sec. 3. Minnesota Statutes 2022, section 18B.305, subdivision 2, is amended to read:

Subd. 2. **Training manual and examination development.** The commissioner, in consultation with University of Minnesota Extension and other higher education institutions, shall continually revise and update pesticide applicator training manuals and examinations. The manuals and examinations must be written to meet or exceed the minimum competency standards required by the United States Environmental Protection Agency and pertinent state specific information. Pesticide applicator training manuals and examinations must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for training manuals and examinations must be published on the Department of Agriculture website. Questions in the examinations must be determined by the commissioner in consultation with other responsible agencies. Manuals and examinations must include pesticide management practices that discuss prevention of pesticide occurrence in groundwater and surface water of the state, and economic thresholds and guidance for insecticide use.

Sec. 4. Minnesota Statutes 2022, section 18B.32, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) A person may not engage in structural pest control applications:

(1) for hire without a structural pest control license; ~~and~~

(2) as a sole proprietorship, company, partnership, or corporation unless the person is or employs a licensed master in structural pest control operations; and

(3) unless the person is 18 years of age or older.

(b) A structural pest control licensee must have a valid license identification card to purchase a restricted use pesticide or apply pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The license identification card must contain information required by the commissioner.

Sec. 5. Minnesota Statutes 2022, section 18B.32, subdivision 3, is amended to read:

Subd. 3. **Application.** (a) A person must apply to the commissioner for a structural pest control license on forms and in the manner required by the commissioner. The commissioner shall require the applicant to pass a written, closed-book, monitored examination or oral examination, or both; ~~and may also require a practical demonstration regarding structural pest control.~~ The commissioner shall establish the examination procedure, including the phases and contents of the examination.

(b) The commissioner may license a person as a master under a structural pest control license if the person has the necessary qualifications through knowledge and experience to properly plan, determine, and supervise the selection and application of pesticides in structural pest control. To demonstrate the qualifications and become licensed as a master under a structural pest control license, a person must:

(1) pass a closed-book test administered by the commissioner;

(2) have direct experience as a licensed journeyman under a structural pest control license for at least two years by this state or a state with equivalent certification requirements or as a full-time licensed master in another state with equivalent certification requirements; and

(3) show practical knowledge and field experience under clause (2) in the actual selection and application of pesticides under varying conditions.

(c) The commissioner may license a person as a journeyman under a structural pest control license if the person:

(1) has the necessary qualifications in the practical selection and application of pesticides;

(2) has passed a closed-book examination given by the commissioner; and

(3) is engaged as an employee of or is working under the direction of a person licensed as a master under a structural pest control license.

(d) The commissioner may license a person as a fumigator under a structural pest control license if the person:

(1) has knowledge of the practical selection and application of fumigants;

(2) has passed a closed-book examination given by the commissioner; and

(3) is licensed by the commissioner as a master or journeyman under a structural pest control license.

Sec. 6. Minnesota Statutes 2022, section 18B.32, subdivision 4, is amended to read:

Subd. 4. **Renewal.** (a) ~~An applicator may apply to renew a structural pest control applicator license may be renewed~~ on or before the expiration of an existing license subject to reexamination, attendance at ~~workshops~~ a recertification workshop approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competency and ability to use pesticides safely and properly. A recertification workshop must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for a recertification workshop must be published on the Department of Agriculture website. If the commissioner requires an applicator to attend a recertification workshop and the applicator fails to attend the workshop, the commissioner may require the applicator to pass a reexamination. The commissioner may require an additional demonstration of applicator qualification if the applicator has had a license suspended or revoked or has otherwise had a history of violations of this chapter.

(b) ~~If a person~~ an applicator fails to renew a structural pest control license within three months of its expiration, the ~~person~~ applicator must obtain a structural pest control license subject to the requirements, procedures, and fees required for an initial license.

Sec. 7. Minnesota Statutes 2022, section 18B.32, subdivision 5, is amended to read:

Subd. 5. **Financial responsibility.** (a) ~~A structural pest control license may not be issued unless the applicant furnishes proof of financial responsibility. The commissioner may suspend or revoke a structural pest control license if an applicator fails to provide proof of financial responsibility upon the commissioner's request.~~ Financial responsibility may be demonstrated by:

(1) proof of net assets equal to or greater than \$50,000; or

(2) a performance bond or insurance of a kind and in an amount determined by the commissioner.

(b) The bond or insurance must cover a period of time at least equal to the term of the applicant's applicator's license. The commissioner must immediately suspend the license of a person an applicator who fails to maintain the required bond or insurance. The performance bond or insurance policy must contain a provision requiring the insurance or bonding company to notify the commissioner by ten days before the effective date of cancellation, termination, or any other change of the bond or insurance. If there is recovery against the bond or insurance, additional coverage must be secured by the applicator to maintain financial responsibility equal to the original amount required.

(c) An employee of a licensed person is not required to maintain an insurance policy or bond during the time the employer is maintaining the required insurance or bond.

(d) Applications for reinstatement of a license suspended under the provisions of this section must be accompanied by proof of satisfaction of judgments previously rendered.

Sec. 8. Minnesota Statutes 2022, section 18B.33, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) A person may not apply a pesticide for hire without a commercial applicator license for the appropriate use categories or a structural pest control license.

(b) A commercial applicator licensee must have a valid license identification card to purchase a restricted use pesticide or apply pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The commissioner shall prescribe the information required on the license identification card.

(c) A person licensed under this section is considered qualified and is not required to verify, document, or otherwise prove a particular need prior to use, except as required by the federal label.

(d) A person who uses a general-use sanitizer or disinfectant for hire in response to COVID-19 is exempt from the commercial applicator license requirements under this section.

(e) A person licensed under this section must be 18 years of age or older.

Sec. 9. Minnesota Statutes 2022, section 18B.33, subdivision 5, is amended to read:

Subd. 5. **Renewal application.** (a) ~~A person~~ An applicator must apply to the commissioner to renew a commercial applicator license. The commissioner may renew a commercial applicator license accompanied by the application fee, subject to reexamination, attendance at ~~workshops~~ a recertification workshop approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competence and ability to use pesticides safely and properly. ~~The applicant~~ A recertification workshop must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for a recertification workshop must be published on the Department of Agriculture website. Upon the receipt of an applicator's renewal application, the commissioner may require the applicator to attend a recertification workshop. Depending on the application category, the commissioner may require an applicator to complete a recertification workshop once per year, once every two years, or once every three years. If the commissioner requires an applicator to attend a recertification workshop and the applicator fails to attend the workshop, the commissioner may require the applicator to pass a reexamination. An applicator may renew a commercial applicator license within 12 months after expiration of the license without having to meet initial testing requirements. The commissioner may require an additional demonstration of applicator qualification if ~~a person~~ the applicator has had a license suspended or revoked or has had a history of violations of this chapter.

(b) ~~An applicant~~ An applicator that meets renewal requirements by reexamination instead of attending ~~workshops~~ a recertification workshop must pay the equivalent workshop fee for the reexamination as determined by the commissioner.

Sec. 10. Minnesota Statutes 2022, section 18B.33, subdivision 6, is amended to read:

Subd. 6. **Financial responsibility.** (a) ~~A commercial applicator license may not be issued unless the applicant furnishes proof of financial responsibility.~~ The commissioner may suspend or revoke an applicator's commercial applicator license if the applicator fails to provide proof of financial responsibility upon the commissioner's request. Financial responsibility may be demonstrated by: (1) proof of net assets equal to or greater than \$50,000; or (2) by a performance bond or insurance of the kind and in an amount determined by the commissioner.

(b) The bond or insurance must cover a period of time at least equal to the term of the ~~applicant's~~ applicator's license. The commissioner must immediately suspend the license of ~~a person~~ an applicator who fails to maintain the required bond or insurance. The performance bond or insurance policy must contain a provision requiring the insurance or bonding company to notify the commissioner by ten days before the effective date of cancellation, termination, or any other change of the bond or insurance. If there is recovery against the bond or insurance, additional coverage must be secured by the applicator to maintain financial responsibility equal to the original amount required.

(c) An employee of a licensed ~~person~~ applicator is not required to maintain an insurance policy or bond during the time the employer is maintaining the required insurance or bond.

(d) Applications for reinstatement of a license suspended under the provisions of this section must be accompanied by proof of satisfaction of judgments previously rendered.

Sec. 11. Minnesota Statutes 2022, section 18B.34, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Except for a licensed commercial applicator, certified private applicator, or licensed structural pest control applicator, a person, including a government employee, may not purchase or use a restricted use pesticide in performance of official duties without having a noncommercial applicator license for an appropriate use category.

(b) A licensee must have a valid license identification card when applying pesticides and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The license identification card must contain information required by the commissioner.

(c) A person licensed under this section is considered qualified and is not required to verify, document, or otherwise prove a particular need prior to use, except as required by the federal label.

(d) A person licensed under this section must be 18 years of age or older.

Sec. 12. Minnesota Statutes 2022, section 18B.34, subdivision 4, is amended to read:

Subd. 4. **Renewal.** (a) ~~A person~~ An applicator must apply to the commissioner to renew a noncommercial applicator license. The commissioner may renew a license subject to reexamination, attendance at ~~workshops~~ a recertification workshop approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competence and ability to use pesticides safely and properly. A recertification workshop must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for a recertification website must be published on the Department of Agriculture website. Upon the receipt of an applicator's renewal application, the commissioner may require the applicator to attend a recertification workshop. Depending on the application category, the commissioner may require an applicator to complete a recertification workshop once per year, once every two years, or once every three years. If the commissioner requires an applicator to attend a recertification workshop and the applicator fails to attend the workshop, the commissioner may require the applicator to pass a reexamination. The commissioner may require an additional demonstration of applicator qualification if the applicator has had a license suspended or revoked or has otherwise had a history of violations of this chapter.

(b) An ~~applicant~~ applicator that meets renewal requirements by reexamination instead of attending ~~workshops~~ a recertification workshop must pay the equivalent workshop fee for the reexamination as determined by the commissioner.

(c) An ~~applicant~~ applicator has 12 months to renew the license after expiration without having to meet initial testing requirements.

Sec. 13. Minnesota Statutes 2022, section 18B.35, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** (a) The commissioner may establish categories of structural pest control, commercial applicator, ~~and noncommercial applicator licenses for administering and enforcing this chapter,~~ and private applicator certification consistent with federal requirements in Code of Federal Regulations, title 40, sections 171.101 and 171.105, including but not limited to the federal categories that are applicable to the state. Application categories must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for application categories must be published on the Department of Agriculture website. The categories may include pest control operators and ornamental, agricultural, aquatic, forest, and right-of-way pesticide applicators. Separate subclassifications of categories may be specified as to ground, aerial, or manual methods to apply pesticides or to the use of pesticides to control insects, plant diseases, rodents, or weeds.

(b) Each category is subject to separate testing procedures and requirements.

Sec. 14. Minnesota Statutes 2022, section 18B.36, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Except for a licensed commercial or noncommercial applicator, only a certified private applicator may use a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation;

(2) on a site owned, rented, or managed by the person or the person's employees; or

(3) when the private applicator is one of two or fewer employees and the owner or operator is a certified private applicator or is licensed as a noncommercial applicator.

(b) A person may not purchase a restricted use pesticide without presenting a license card, certified private applicator card, or the card number.

(c) A person certified under this section is considered qualified and is not required to verify, document, or otherwise prove a particular need prior to use, except as required by the federal label.

(d) A person certified under this section must be 18 years of age or older.

Sec. 15. Minnesota Statutes 2022, section 18B.36, subdivision 2, is amended to read:

Subd. 2. **Certification.** (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds United States Environmental Protection Agency standards to certify private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. Private applicator

certification requirements and training must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for private applicator certification and training must be published on the Department of Agriculture website. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include ~~an~~ a proctored examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification shall expire March 1 of the third calendar year after the initial year of certification.

(c) The commissioner shall issue a private applicator card to a private applicator.

Sec. 16. Minnesota Statutes 2022, section 18B.37, subdivision 2, is amended to read:

Subd. 2. **Commercial and noncommercial applicators.** (a) A commercial or noncommercial applicator; or the applicator's authorized agent; must maintain a record of pesticides used on each site. Noncommercial applicators must keep records of restricted use pesticides. The record must include the:

- (1) date of the pesticide use;
 - (2) time the pesticide application was completed;
 - (3) brand name of the pesticide, the United States Environmental Protection Agency registration number, and rate used;
 - (4) number of units treated;
 - (5) temperature, wind speed, and wind direction;
 - (6) location of the site where the pesticide was applied;
 - (7) name and address of the customer;
 - (8) name of applicator, name of company, license number of applicator, and address of applicator company; and
 - (9) any other information required by the commissioner.
- (b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.
- (c) All information for this record requirement must be contained in a document for each pesticide application, except a map may be attached to identify treated areas. An invoice containing the required information may constitute the required record. The commissioner shall make sample forms available to meet the requirements of this paragraph.
- (d) The record must be completed no later than five days after the application of the pesticide.

(e) A commercial applicator must give a copy of the record to the customer.

(f) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

(g) A record of a commercial or noncommercial applicator must meet or exceed the requirements in Code of Federal Regulations, title 40, part 171.

Sec. 17. Minnesota Statutes 2022, section 18B.37, subdivision 3, is amended to read:

Subd. 3. **Structural pest control applicators.** (a) A structural pest control applicator must maintain a record of each structural pest control application conducted by that person or by the person's employees. The record must include the:

(1) date of structural pest control application;

(2) target pest;

(3) brand name of the pesticide, United States Environmental Protection Agency registration number, and amount used;

(4) for fumigation, the temperature and exposure time;

(5) time the pesticide application was completed;

(6) name and address of the customer;

(7) name of structural pest control applicator, name of company and address of applicator or company, and license number of applicator; and

(8) any other information required by the commissioner.

(b) All information for this record requirement must be contained in a document for each pesticide application. An invoice containing the required information may constitute the record.

(c) The record must be completed no later than five days after the application of the pesticide.

(d) Records must be retained for five years after the date of treatment.

(e) A copy of the record must be given to a person who ordered the application that is present at the site where the structural pest control application is conducted, placed in a conspicuous location at the site where the structural pest control application is conducted immediately after the application of the pesticides, or delivered to the person who ordered an application or the owner of the site. The commissioner must make sample forms available that meet the requirements of this subdivision.

(f) A structural applicator must post in a conspicuous place inside a renter's apartment where a pesticide application has occurred a list of postapplication precautions contained on the label of the pesticide that was applied in the apartment and any other information required by the commissioner.

(g) A record of a structural applicator must meet or exceed the requirements in Code of Federal Regulations, title 40, part 171."

Delete the title and insert:

"A bill for an act relating to agriculture; amending agriculture policy provisions; modifying provisions relating to pesticide control; amending provisions for agricultural contracts; amending fertilizer definitions; modifying provisions related to food product sampling and demonstration; extending the expiration of the Food Safety and Defense Task Force provisions; amending the definition of a sustainable aviation fuel; modifying provisions related to the Minnesota Rural Finance Authority; amending grain indemnity provisions; modifying provisions related to elk; requiring notice of an estray; requiring the commissioner to establish an anonymous means for a person to report potential land ownership violations; amending provisions for importing Cervidae from another state; requiring the commissioner to establish a cooperative financial reporting workgroup and to report back with recommendations to the legislature; reviving and reenacting section 32D.25, subdivision 2; modifying provisions related to pest control; amending Minnesota Statutes 2022, sections 3.7371, subdivisions 2, 3, by adding subdivisions; 18B.01, by adding a subdivision; 18B.26, subdivision 6; 18B.305, subdivision 2; 18B.32, subdivisions 1, 3, 4, 5; 18B.33, subdivisions 1, 5, 6; 18B.34, subdivisions 1, 4; 18B.35, subdivision 1; 18B.36, subdivisions 1, 2; 18B.37, subdivisions 2, 3; 18C.005, subdivision 33, by adding a subdivision; 18C.115, subdivision 2; 18C.215, subdivision 1; 18C.221; 28A.151, subdivisions 1, 2, 3, 5, by adding a subdivision; 28A.21, subdivision 6; 223.17, subdivision 6; 232.21, subdivisions 3, 7, 11, 12, 13; Minnesota Statutes 2023 Supplement, sections 17.710; 35.155, subdivision 12; 41A.30, subdivision 1; 41B.0391, subdivision 4; Laws 2023, chapter 43, article 2, section 142, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 346; repealing Minnesota Statutes 2022, section 3.7371, subdivision 7; Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; 1506.0040."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Hoffman from the Committee on Human Services, to which was referred

S.F. No. 4399: A bill for an act relating to human services; establishing minimum wage protections for people with disabilities; modifying person care assistance and community first services and supports remote reassessment requirements; prioritizing technology in informed choice for disability waiver services; clarifying form usage for community-based waived services; modernizing language in Deaf and Hard-of-Hearing Services Act; making technical corrections to behavioral health language; amending Minnesota Statutes 2022, sections 177.24, by adding a subdivision; 245D.10, subdivision 1; 245F.02, subdivisions 17, 21; 245F.08, subdivision 3; 245F.15, subdivision 7; 245G.04, by adding a subdivision; 252.44; 256B.0759, subdivision 4; 256B.0911, subdivision 24; 256B.4905, subdivision 12; 256C.21; 256C.23, subdivisions 1a, 2, 2a, 2b, 2c, 6, 7, by adding a subdivision; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, 3; 256C.26; 256C.261; Minnesota Statutes 2023 Supplement, sections 245G.05, subdivision 3; 245G.09, subdivision 3; 254A.19, subdivision 3; 254B.04, subdivision 6; 254B.05, subdivisions 1, 5; 254B.19, subdivision 1; 256B.0759, subdivision 2; 256B.4906; 256B.4914, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1**DISABILITY SERVICES**

Section 1. Minnesota Statutes 2022, section 144G.45, subdivision 3, is amended to read:

Subd. 3. **Local laws apply.** Assisted living facilities shall comply with all applicable state and local governing laws, regulations, standards, ordinances, and codes for fire safety, building, and zoning requirements, except a facility with a licensed resident capacity of six or fewer is exempt from rental licensing regulations imposed by any town, municipality, or county.

Sec. 2. Minnesota Statutes 2022, section 245A.11, subdivision 2, is amended to read:

Subd. 2. **Permitted single-family residential use.** (a) Residential programs with a licensed capacity of six or fewer persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations, except that a residential program whose primary purpose is to treat juveniles who have violated criminal statutes relating to sex offenses or have been adjudicated delinquent on the basis of conduct in violation of criminal statutes relating to sex offenses shall not be considered a permitted use. This exception shall not apply to residential programs licensed before July 1, 1995. Programs otherwise allowed under this subdivision shall not be prohibited by operation of restrictive covenants or similar restrictions, regardless of when entered into, which cannot be met because of the nature of the licensed program, including provisions which require the home's occupants be related, and that the home must be occupied by the owner, or similar provisions.

~~(b) Unless otherwise provided in any town, municipal, or county zoning regulation, licensed residential services provided to more than four persons with developmental disabilities in a supervised living facility, including intermediate care facilities for persons with developmental disabilities, with a licensed capacity of seven to eight persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations. A town, municipal, or county zoning authority may require a conditional use or special use permit to assure proper maintenance and operation of the residential program. Conditions imposed on the residential program must not be more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the persons being served by the program. This paragraph expires July 1, 2023.~~

(b) A residential program as defined in section 245D.02, subdivision 4a, with a licensed capacity of six or fewer persons that is actively serving residents for which it is licensed is exempt from rental licensing regulations imposed by any town, municipality, or county.

Sec. 3. Minnesota Statutes 2022, section 245D.071, subdivision 3, is amended to read:

Subd. 3. **Assessment and initial service planning.** (a) Within 15 days of service initiation the license holder must complete a preliminary support plan addendum based on the support plan.

(b) Within the scope of services, the license holder must, at a minimum, complete assessments in the following areas before the 45-day planning meeting providing 45 days of service or within 60 calendar days of service initiation, whichever is shorter:

(1) the person's ability to self-manage health and medical needs to maintain or improve physical, mental, and emotional well-being, including, when applicable, allergies, seizures, choking, special dietary needs, chronic medical conditions, self-administration of medication or treatment orders, preventative screening, and medical and dental appointments;

(2) the person's ability to self-manage personal safety to avoid injury or accident in the service setting, including, when applicable, risk of falling, mobility, regulating water temperature, community survival skills, water safety skills, and sensory disabilities; and

(3) the person's ability to self-manage symptoms or behavior that may otherwise result in an incident as defined in section 245D.02, subdivision 11, clauses (4) to (7), suspension or termination of services by the license holder, or other symptoms or behaviors that may jeopardize the health and welfare of the person or others.

Assessments must produce information about the person that describes the person's overall strengths, functional skills and abilities, and behaviors or symptoms. Assessments must be based on the person's status within the last 12 months at the time of service initiation. Assessments based on older information must be documented and justified. Assessments must be conducted annually at a minimum or within 30 days of a written request from the person or the person's legal representative or case manager. The results must be reviewed by the support team or expanded support team as part of a service plan review.

(c) Before providing 45 days of service or within 60 calendar days of service initiation, whichever is shorter, the license holder must ~~meet~~ hold an initial planning meeting with the person, the person's legal representative, the case manager, other members of the support team or expanded support team, and other people as identified by the person or the person's legal representative to determine the following based on information obtained from the assessments identified in paragraph (b), the person's identified needs in the support plan, and the requirements in subdivision 4 and section 245D.07, subdivision 1a:

(1) the scope of the services to be provided to support the person's daily needs and activities;

(2) the person's desired outcomes and the supports necessary to accomplish the person's desired outcomes;

(3) the person's preferences for how services and supports are provided, including how the provider will support the person to have control of the person's schedule;

(4) whether the current service setting is the most integrated setting available and appropriate for the person;

(5) opportunities to develop and maintain essential and life-enriching skills, abilities, strengths, interests, and preferences;

(6) opportunities for community access, participation, and inclusion in preferred community activities;

(7) opportunities to develop and strengthen personal relationships with other persons of the person's choice in the community;

(8) opportunities to seek competitive employment and work at competitively paying jobs in the community; and

(9) how services must be coordinated across other providers licensed under this chapter serving the person and members of the support team or expanded support team to ensure continuity of care and coordination of services for the person.

(d) A discussion of how technology might be used to meet the person's desired outcomes must be included in the ~~45-day~~ initial planning meeting. The support plan or support plan addendum must include a summary of this discussion. The summary must include a statement regarding any decision that is made regarding the use of technology and a description of any further research that needs to be completed before a decision regarding the use of technology can be made. Nothing in this paragraph requires that the support plan include the use of technology for the provision of services.

Sec. 4. Minnesota Statutes 2022, section 245D.071, subdivision 4, is amended to read:

Subd. 4. **Service outcomes and supports.** (a) Within ten working days of the ~~45-day~~ initial planning meeting, the license holder must develop a service plan that documents the service outcomes and supports based on the assessments completed under subdivision 3 and the requirements in section 245D.07, subdivision 1a. The outcomes and supports must be included in the support plan addendum.

(b) The license holder must document the supports and methods to be implemented to support the person and accomplish outcomes related to acquiring, retaining, or improving skills and physical, mental, and emotional health and well-being. The documentation must include:

(1) the methods or actions that will be used to support the person and to accomplish the service outcomes, including information about:

(i) any changes or modifications to the physical and social environments necessary when the service supports are provided;

(ii) any equipment and materials required; and

(iii) techniques that are consistent with the person's communication mode and learning style;

(2) the measurable and observable criteria for identifying when the desired outcome has been achieved and how data will be collected;

(3) the projected starting date for implementing the supports and methods and the date by which progress towards accomplishing the outcomes will be reviewed and evaluated; and

(4) the names of the staff or position responsible for implementing the supports and methods.

(c) Within 20 working days of the ~~45-day~~ initial planning meeting, the license holder must submit to and obtain dated signatures from the person or the person's legal representative and case manager to document completion and approval of the assessment and support plan addendum. If, within ten working days of the submission of the assessment or support plan addendum, the person or the person's legal representative or case manager has not signed and returned to the license holder the assessment and support plan addendum or has not proposed written modifications to the license holder's submission, the submission is deemed approved and the assessment and support plan

addendum become effective and remain in effect until the legal representative or case manager submits a written request to revise the assessment or support plan addendum.

Sec. 5. Minnesota Statutes 2022, section 245D.081, subdivision 2, is amended to read:

Subd. 2. **Coordination and evaluation of individual service delivery.** (a) Delivery and evaluation of services provided by the license holder must be coordinated by a designated staff person. Except as provided in clause (3), the designated coordinator must provide supervision, support, and evaluation of activities that include:

(1) oversight of the license holder's responsibilities assigned in the person's support plan and the support plan addendum;

(2) taking the action necessary to facilitate the accomplishment of the outcomes according to the requirements in section 245D.07;

(3) instruction and assistance to direct support staff implementing the support plan and the service outcomes, including direct observation of service delivery sufficient to assess staff competency. The designated coordinator may delegate the direct observation and competency assessment of the service delivery activities of direct support staff to an individual whom the designated coordinator has previously deemed competent in those activities; and

(4) evaluation of the effectiveness of service delivery, methodologies, and progress on the person's outcomes based on the measurable and observable criteria for identifying when the desired outcome has been achieved according to the requirements in section 245D.07.

(b) The license holder must ensure that the designated coordinator is competent to perform the required duties identified in paragraph (a) through education, training, and work experience relevant to the primary disability of persons served by the license holder and the individual persons for whom the designated coordinator is responsible. The designated coordinator must have the skills and ability necessary to develop effective plans and to design and use data systems to measure effectiveness of services and supports. The license holder must verify and document competence according to the requirements in section 245D.09, subdivision 3. The designated coordinator must minimally have:

(1) a baccalaureate degree ~~in a field related to human services~~, and one year of full-time work experience providing direct care services to persons with disabilities or persons age 65 and older;

(2) an associate degree ~~in a field related to human services~~, and two years of full-time work experience providing direct care services to persons with disabilities or persons age 65 and older;

(3) a diploma ~~in a field related to human services~~ from an accredited postsecondary institution and three years of full-time work experience providing direct care services to persons with disabilities or persons age 65 and older; or

(4) a minimum of 50 hours of education and training related to human services and disabilities; and

(5) four years of ~~full-time work~~ experience providing direct care services to persons with disabilities or persons age 65 and older ~~under the supervision of a staff person who meets the qualifications identified in clauses (1) to (3).~~

Sec. 6. Minnesota Statutes 2022, section 245D.081, subdivision 3, is amended to read:

Subd. 3. **Program management and oversight.** (a) The license holder must designate a managerial staff person or persons to provide program management and oversight of the services provided by the license holder. The designated manager is responsible for the following:

(1) maintaining a current understanding of the licensing requirements sufficient to ensure compliance throughout the program as identified in section 245A.04, subdivision 1, paragraph (e), and when applicable, as identified in section 256B.04, subdivision 21, paragraph (g);

(2) ensuring the duties of the designated coordinator are fulfilled according to the requirements in subdivision 2;

(3) ensuring the program implements corrective action identified as necessary by the program following review of incident and emergency reports according to the requirements in section 245D.11, subdivision 2, clause (7). An internal review of incident reports of alleged or suspected maltreatment must be conducted according to the requirements in section 245A.65, subdivision 1, paragraph (b);

(4) evaluation of satisfaction of persons served by the program, the person's legal representative, if any, and the case manager, with the service delivery and progress toward accomplishing outcomes identified in sections 245D.07 and 245D.071, and ensuring and protecting each person's rights as identified in section 245D.04;

(5) ensuring staff competency requirements are met according to the requirements in section 245D.09, subdivision 3, and ensuring staff orientation and training is provided according to the requirements in section 245D.09, subdivisions 4, 4a, and 5;

(6) ensuring corrective action is taken when ordered by the commissioner and that the terms and conditions of the license and any variances are met; and

(7) evaluating the information identified in clauses (1) to (6) to develop, document, and implement ongoing program improvements.

(b) The designated manager must be competent to perform the duties as required and must minimally meet the education and training requirements identified in subdivision 2, paragraph (b), and have a minimum of three years of supervisory level experience ~~in a program providing direct support services to persons with disabilities or persons age 65 and older.~~

Sec. 7. Minnesota Statutes 2022, section 245D.09, subdivision 3, is amended to read:

Subd. 3. **Staff qualifications.** (a) The license holder must ensure that staff providing direct support, or staff who have responsibilities related to supervising or managing the provision of direct support service, are competent as demonstrated through skills and knowledge training, experience, and education relevant to the primary disability of the person and to meet the person's needs and additional requirements as written in the support plan or support plan addendum, or when otherwise

required by the case manager or the federal waiver plan. The license holder must verify and maintain evidence of staff competency, including documentation of:

(1) education and experience qualifications relevant to the job responsibilities assigned to the staff and to the primary disability of persons served by the program, including a valid degree and transcript, or a current license, registration, or certification, when a degree or licensure, registration, or certification is required by this chapter or in the support plan or support plan addendum;

(2) demonstrated competency in the orientation and training areas required under this chapter, and when applicable, completion of continuing education required to maintain professional licensure, registration, or certification requirements. Competency in these areas is determined by the license holder through knowledge testing or observed skill assessment conducted by the trainer or instructor or by an individual who has been previously deemed competent by the trainer or instructor in the area being assessed; and

(3) except for a license holder who is the sole direct support staff, periodic performance evaluations completed by the license holder of the direct support staff person's ability to perform the job functions based on direct observation.

(b) Staff under 18 years of age may not perform overnight duties ~~or administer medication~~.

Sec. 8. Minnesota Statutes 2022, section 245D.091, subdivision 3, is amended to read:

Subd. 3. **Positive support analyst qualifications.** (a) A positive support analyst providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in one of the following areas as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

(1) have obtained a baccalaureate degree, master's degree, or PhD in either a social services discipline or nursing;

(2) meet the qualifications of a mental health practitioner as defined in section 245.462, subdivision 17; or

(3) be a board-certified behavior analyst or board-certified assistant behavior analyst by the Behavior Analyst Certification Board, Incorporated.

(b) In addition, a positive support analyst must:

(1) have four years of supervised experience ~~conducting functional behavior assessments and designing, implementing, and evaluating effectiveness of positive practices behavior support strategies for people working with individuals who exhibit challenging behaviors as well as co-occurring mental disorders and neurocognitive disorder~~;

(2) have received training prior to hire or within 90 calendar days of hire that includes:

(i) ten hours of instruction in functional assessment and functional analysis;

(ii) 20 hours of instruction in the understanding of the function of behavior;

(iii) ten hours of instruction on design of positive practices behavior support strategies;

(iv) 20 hours of instruction preparing written intervention strategies, designing data collection protocols, training other staff to implement positive practice strategies, summarizing and reporting program evaluation data, analyzing program evaluation data to identify design flaws in behavioral interventions or failures in implementation fidelity, and recommending enhancements based on evaluation data; and

(v) eight hours of instruction on principles of person-centered thinking;

(3) be determined by a positive support professional to have the training and prerequisite skills required to provide positive practice strategies as well as behavior reduction approved and permitted intervention to the person who receives positive support; and

(4) be under the direct supervision of a positive support professional.

(c) Meeting the qualifications for a positive support professional under subdivision 2 shall substitute for meeting the qualifications listed in paragraph (b).

EFFECTIVE DATE. This section is effective July 1, 2024, or upon federal approval, whichever occurs first. The commissioner of human services shall inform the revisor of statutes when federal approval is obtained.

Sec. 9. Minnesota Statutes 2022, section 245D.091, subdivision 4, is amended to read:

Subd. 4. **Positive support specialist qualifications.** (a) A positive support specialist providing positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in one of the following areas as required under the brain injury, community access for disability inclusion, community alternative care, and developmental disabilities waiver plans or successor plans:

(1) have an associate's degree in either a social services discipline or nursing; or

(2) have two years of supervised experience working with individuals who exhibit challenging behaviors as well as co-occurring mental disorders or neurocognitive disorder.

(b) In addition, a behavior specialist must:

(1) have received training prior to hire or within 90 calendar days of hire that includes:

(i) a minimum of four hours of training in functional assessment;

(ii) 20 hours of instruction in the understanding of the function of behavior;

(iii) ten hours of instruction on design of positive practices behavioral support strategies; and

(iv) eight hours of instruction on principles of person-centered thinking;

(2) be determined by a positive support professional to have the training and prerequisite skills required to provide positive practices strategies as well as behavior reduction approved intervention to the person who receives positive support; and

(3) be under the direct supervision of a positive support professional.

(c) Meeting the qualifications for a positive support professional under subdivision 2 shall substitute for meeting the qualifications listed in paragraphs (a) and (b).

EFFECTIVE DATE. This section is effective July 1, 2024, or upon federal approval, whichever occurs first. The commissioner of human services shall inform the revisor of statutes when federal approval is obtained.

Sec. 10. Minnesota Statutes 2022, section 245D.10, subdivision 1, is amended to read:

Subdivision 1. **Policy and procedure requirements.** A license holder providing either basic or intensive supports and services must establish, enforce, and maintain policies and procedures as required in this chapter, chapter 245A, and other applicable state and federal laws and regulations governing the provision of home and community-based services licensed according to this chapter. A license holder must use forms provided by the commissioner to report service suspensions and service terminations under subdivisions 3 and 3a.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 11. Minnesota Statutes 2023 Supplement, section 256B.057, subdivision 9, is amended to read:

Subd. 9. **Employed persons with disabilities.** (a) Medical assistance may be paid for a person who is employed and who:

(1) but for excess earnings or assets meets the definition of disabled under the Supplemental Security Income program; and

(2) pays a premium and other obligations under paragraph (e).

(b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible for medical assistance under this subdivision, a person must have more than \$65 of earned income, be receiving an unemployment insurance benefit under chapter 268 that the person began receiving while eligible under this subdivision, or be receiving family and medical leave benefits under chapter 268B that the person began receiving while eligible under this subdivision. Earned income must have Medicare, Social Security, and applicable state and federal taxes withheld. The person must document earned income tax withholding. Any spousal income shall be disregarded for purposes of eligibility and premium determinations.

(c) After the month of enrollment, a person enrolled in medical assistance under this subdivision who would otherwise be ineligible and be disenrolled due to one of the following circumstances may retain eligibility for up to four consecutive months after a month of job loss if the person:

(1) is temporarily unable to work and without receipt of earned income due to a medical condition, as verified by a physician, advanced practice registered nurse, or physician assistant; or

(2) loses employment for reasons not attributable to the enrollee, and is without receipt of earned income.

To receive a four-month extension of continued eligibility under this paragraph, enrollees must verify the medical condition or provide notification of job loss, continue to meet all other eligibility requirements, and continue to pay all calculated premium costs.

(d) All enrollees must pay a premium to be eligible for medical assistance under this subdivision, except as provided under clause (5).

(1) An enrollee must pay the greater of a \$35 premium or the premium calculated based on the person's gross earned and unearned income and the applicable family size using a sliding fee scale established by the commissioner, which begins at one percent of income at 100 percent of the federal poverty guidelines and increases to 7.5 percent of income for those with incomes at or above 300 percent of the federal poverty guidelines.

(2) Annual adjustments in the premium schedule based upon changes in the federal poverty guidelines shall be effective for premiums due in July of each year.

(3) All enrollees who receive unearned income must pay one-half of one percent of unearned income in addition to the premium amount, except as provided under clause (5).

(4) Increases in benefits under title II of the Social Security Act shall not be counted as income for purposes of this subdivision until July 1 of each year.

(5) Effective July 1, 2009, American Indians are exempt from paying premiums as required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. For purposes of this clause, an American Indian is any person who meets the definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

(e) A person's eligibility and premium shall be determined by the local county agency. Premiums must be paid to the commissioner. All premiums are dedicated to the commissioner.

(f) Any required premium shall be determined at application and redetermined at the enrollee's ~~six-month~~ 12-month income review or when a change in income or household size is reported. Enrollees must report any change in income or household size within ~~ten~~ 30 days of when the change occurs. A decreased premium resulting from a reported change in income or household size shall be effective the first day of the next available billing month after the change is reported. Except for changes occurring from annual cost-of-living increases, a change resulting in an increased premium shall not affect the premium amount until the next ~~six-month~~ 12-month review.

(g) Premium payment is due upon notification from the commissioner of the premium amount required. Premiums may be paid in installments at the discretion of the commissioner.

(h) Nonpayment of the premium shall result in denial or termination of medical assistance unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse for the enrollee's failure to pay the required premium when due because the circumstances were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall determine whether good cause exists based on the weight of the supporting evidence submitted by the enrollee to demonstrate good cause.

Except when an installment agreement is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must pay any past due premiums as well as current premiums due prior to being reenrolled. Nonpayment shall include payment with a returned, refused, or dishonored instrument. The commissioner may require a guaranteed form of payment as the only means to replace a returned, refused, or dishonored instrument.

(i) For enrollees whose income does not exceed 200 percent of the federal poverty guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the enrollee for Medicare part B premiums under section 256B.0625, subdivision 15, paragraph (a).

(j) The commissioner is authorized to determine that a premium amount was calculated or billed in error, make corrections to financial records and billing systems, and refund premiums collected in error.

Sec. 12. Minnesota Statutes 2022, section 256B.0911, subdivision 12, is amended to read:

Subd. 12. **Exception to use of MnCHOICES assessment; contracted assessors.** ~~(a)~~ A lead agency that has not implemented MnCHOICES assessments and uses contracted assessors as of January 1, 2022, is not subject to the requirements of subdivisions 11, clauses (7) to (9); 13; 14, paragraphs (a) to (c); 16 to 21; 23; 24; and 29 to 31.

~~(b) This subdivision expires upon statewide implementation of MnCHOICES assessments. The commissioner shall notify the revisor of statutes when statewide implementation has occurred.~~

Sec. 13. Minnesota Statutes 2022, section 256B.0911, subdivision 17, is amended to read:

Subd. 17. **MnCHOICES assessments.** (a) A person requesting long-term care consultation services must be visited by a long-term care consultation team within 20 calendar working days after the date on which an assessment was requested or recommended. Assessments must be conducted according to this subdivision and subdivisions 19 to 21, 23, 24, and 29 to 31.

(b) Lead agencies shall use certified assessors to conduct the assessment.

(c) For a person with complex health care needs, a public health or registered nurse from the team must be consulted.

(d) The lead agency must use the MnCHOICES assessment provided by the commissioner to complete a comprehensive, conversation-based, person-centered assessment. The assessment must include the health, psychological, functional, environmental, and social needs of the individual necessary to develop a person-centered assessment summary that meets the individual's needs and preferences.

(e) Except as provided in subdivision 24, an assessment must be conducted by a certified assessor in an in-person conversational interview with the person being assessed.

Sec. 14. Minnesota Statutes 2022, section 256B.0911, subdivision 18, is amended to read:

Subd. 18. **Exception to use of MnCHOICES assessments; long-term care consultation team visit; notice.** ~~(a) Until statewide implementation of MnCHOICES assessments,~~ The requirement under subdivision 17, paragraph (a), does not apply to an assessment of a person requesting personal

care assistance services or community first services and supports. ~~The commissioner shall provide at least a 90-day notice to lead agencies prior to the effective date of statewide implementation.~~

~~(b) This subdivision expires upon statewide implementation of MnCHOICES assessments. The commissioner shall notify the revisor of statutes when statewide implementation has occurred.~~

Sec. 15. Minnesota Statutes 2022, section 256B.0911, subdivision 20, is amended to read:

Subd. 20. **MnCHOICES assessments; duration of validity.** ~~(a)~~ An assessment that is completed as part of an eligibility determination for multiple programs for the alternative care, elderly waiver, developmental disabilities, community access for disability inclusion, community alternative care, and brain injury waiver programs under chapter 256S and sections 256B.0913, 256B.092, and 256B.49 is valid to establish service eligibility for no more than ~~60~~ 365 calendar days after the date of the assessment.

~~(b) The effective eligibility start date for programs in paragraph (a) can never be prior to the date of assessment. If an assessment was completed more than 60 days before the effective waiver or alternative care program eligibility start date, assessment and support plan information must be updated and documented in the department's Medicaid Management Information System (MMIS). Notwithstanding retroactive medical assistance coverage of state plan services, the effective date of eligibility for programs included in paragraph (a) cannot be prior to the completion date of the most recent updated assessment.~~

~~(c) If an eligibility update is completed within 90 days of the previous assessment and documented in the department's Medicaid Management Information System (MMIS), the effective date of eligibility for programs included in paragraph (a) is the date of the previous in-person assessment when all other eligibility requirements are met.~~

Sec. 16. Minnesota Statutes 2022, section 256B.0911, subdivision 24, is amended to read:

Subd. 24. **Remote reassessments.** (a) Assessments performed according to subdivisions 17 to 20 and 23 must be in person unless the assessment is a reassessment meeting the requirements of this subdivision. Remote reassessments conducted by interactive video or telephone may substitute for in-person reassessments.

~~(b) For services provided by the developmental disabilities waiver under section 256B.092, and the community access for disability inclusion, community alternative care, and brain injury waiver programs under section 256B.49, remote reassessments may be substituted for two consecutive reassessments if followed by an in-person reassessment.~~

~~(c) For services provided by alternative care under section 256B.0913, essential community supports under section 256B.0922, and the elderly waiver under chapter 256S, remote reassessments may be substituted for one reassessment if followed by an in-person reassessment.~~

(b) For personal care assistance provided under section 256B.0659 and community first services and supports provided under section 256B.85, remote reassessments may be substituted for two consecutive reassessments if followed by an in-person reassessment.

~~(d)~~ (c) A remote reassessment is permitted only if the lead agency provides informed choice and the person being reassessed or the person's legal representative provides informed consent for a remote assessment. Lead agencies must document that informed choice was offered.

~~(e)~~ (d) The person being reassessed, or the person's legal representative, may refuse a remote reassessment at any time.

~~(f)~~ (e) During a remote reassessment, if the certified assessor determines an in-person reassessment is necessary in order to complete the assessment, the lead agency shall schedule an in-person reassessment.

~~(g)~~ (f) All other requirements of an in-person reassessment apply to a remote reassessment, including updates to a person's support plan.

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 17. Minnesota Statutes 2022, section 256B.0911, subdivision 25, is amended to read:

Subd. 25. **Reassessments for Rule 185 case management and waiver services.** (a) Unless otherwise required by federal law, the county agency is not required to conduct or arrange for an annual needs reassessment by a certified assessor for people receiving Rule 185 case management under Minnesota Rules, part 9525.0016. The case manager who works on behalf of the person to identify the person's needs and to minimize the impact of the disability on the person's life must instead develop a person-centered service plan based on the person's assessed needs and preferences. The person-centered service plan must be reviewed annually for persons with developmental disabilities who are receiving only case management services under Minnesota Rules, part 9525.0016, and who make an informed choice to decline an assessment under this section.

(b) Unless otherwise required by federal law, the county agency is not required to conduct or arrange for an annual needs reassessment by a certified assessor for people with no significant changes in function or needs who are receiving the following services:

(1) alternative care services under section 256B.0913;

(2) developmental disability waiver services under section 256B.092;

(3) essential community supports under section 256B.0922;

(4) community access for disability inclusion, community alternative care, and brain injury waiver services under section 256B.49; and

(5) elderly waiver services under chapter 256S.

(c) The county agency shall conduct or arrange for a needs reassessment for persons described in paragraph (b) once every three years. The person or the person's legal representative may request a needs reassessment at any time. The county agency must annually review the person-centered services plan and reauthorize services. A person or the person's legal representative must make an informed choice to decline an annual needs reassessment under this section.

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 18. Minnesota Statutes 2022, section 256B.092, is amended by adding a subdivision to read:

Subd. 3a. **Authorization of technology services.** (a) Lead agencies must not implement additional requirements, in addition to those required by the commissioner, that could result in the delay of approval or implementation of technology.

(b) For individuals receiving waiver services under this section, approval or denial of technology must occur within 30 business days of the receipt of the initial request. If denied, the lead agency must submit a notice of action form clearly stating the reason for the denial, including information describing why the technology is not appropriate to meet the individual's assessed need.

Sec. 19. Minnesota Statutes 2022, section 256B.49, is amended by adding a subdivision to read:

Subd. 16b. **Authorization of technology services.** (a) Lead agencies must not implement additional requirements, in addition to those required by the commissioner, that could result in the delay of approval or implementation of technology.

(b) For individuals receiving waiver services under this section, approval or denial of technology must occur within 30 business days of the receipt of the initial request. If denied, the lead agency must submit a notice of action form clearly stating the reason for the denial, including information describing why the technology is not appropriate to meet the individual's assessed need.

Sec. 20. Minnesota Statutes 2022, section 256B.4905, subdivision 12, is amended to read:

Subd. 12. **Informed choice in and technology prioritization in implementation for disability waiver services.** The commissioner of human services shall ensure that:

(1) disability waivers under sections 256B.092 and 256B.49 support the presumption that all adults who have disabilities and children who have disabilities may use assistive technology, remote supports, or both to enhance the adult's or child's independence and quality of life; and

(2) each individual accessing waiver services is offered, after an informed decision-making process and during a person-centered planning process, the opportunity to choose assistive technology, remote support, or both prior to the commissioner offering or reauthorizing services that utilize direct support staff to ensure equitable access.

Sec. 21. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 4, is amended to read:

Subd. 4. **Data collection for rate determination.** (a) Rates for applicable home and community-based waived services, including customized rates under subdivision 12, are set by the rates management system.

(b) Data and information in the rates management system must be used to calculate an individual's rate.

(c) Service providers, with information from the support plan and oversight by lead agencies, shall provide values and information needed to calculate an individual's rate in the rates management system. Lead agencies must use forms provided by the commissioner to collect this information. The determination of service levels must be part of a discussion with members of the support team as defined in section 245D.02, subdivision 34. This discussion must occur prior to the final establishment of each individual's rate. The values and information include:

- (1) shared staffing hours;
- (2) individual staffing hours;
- (3) direct registered nurse hours;
- (4) direct licensed practical nurse hours;
- (5) staffing ratios;

(6) information to document variable levels of service qualification for variable levels of reimbursement in each framework;

- (7) shared or individualized arrangements for unit-based services, including the staffing ratio;
- (8) number of trips and miles for transportation services; and
- (9) service hours provided through monitoring technology.

(d) Updates to individual data must include:

- (1) data for each individual that is updated annually when renewing service plans; and

(2) requests by individuals or lead agencies to update a rate whenever there is a change in an individual's service needs, with accompanying documentation.

(e) Lead agencies shall review and approve all services reflecting each individual's needs, and the values to calculate the final payment rate for services with variables under subdivisions 6 to 9 for each individual. Lead agencies must notify the individual and the service provider of the final agreed-upon values and rate, and provide information that is identical to what was entered into the rates management system. If a value used was mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead agencies to correct it. Lead agencies must respond to these requests. When responding to the request, the lead agency must consider:

(1) meeting the health and welfare needs of the individual or individuals receiving services by service site, identified in their support plan under section 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;

(2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and (o); and meeting or exceeding the licensing standards for staffing required under section 245D.09, subdivision 1; and

(3) meeting the staffing ratio requirements under subdivision 2, paragraph (o), and meeting or exceeding the licensing standards for staffing required under section 245D.31.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 22. Minnesota Statutes 2022, section 256B.85, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section and section 256B.851, the terms defined in this subdivision have the meanings given.

(b) "Activities of daily living" or "ADLs" means:

(1) dressing, including assistance with choosing, applying, and changing clothing and applying special appliances, wraps, or clothing;

(2) grooming, including assistance with basic hair care, oral care, shaving, applying cosmetics and deodorant, and care of eyeglasses and hearing aids. Grooming includes nail care, except for recipients who are diabetic or have poor circulation;

(3) bathing, including assistance with basic personal hygiene and skin care;

(4) eating, including assistance with hand washing and applying orthotics required for eating; ~~transfers~~, or feeding;

(5) transfers, including assistance with transferring the participant from one seating or reclining area to another;

(6) mobility, including assistance with ambulation and use of a wheelchair. Mobility does not include providing transportation for a participant;

(7) positioning, including assistance with positioning or turning a participant for necessary care and comfort; and

(8) toileting, including assistance with bowel or bladder elimination and care, transfers, mobility, positioning, feminine hygiene, use of toileting equipment or supplies, cleansing the perineal area, inspection of the skin, and adjusting clothing.

(c) "Agency-provider model" means a method of CFSS under which a qualified agency provides services and supports through the agency's own employees and policies. The agency must allow the participant to have a significant role in the selection and dismissal of support workers of their choice for the delivery of their specific services and supports.

(d) "Behavior" means a description of a need for services and supports used to determine the home care rating and additional service units. The presence of Level I behavior is used to determine the home care rating.

(e) "Budget model" means a service delivery method of CFSS that allows the use of a service budget and assistance from a financial management services (FMS) provider for a participant to directly employ support workers and purchase supports and goods.

(f) "Complex health-related needs" means an intervention listed in clauses (1) to (8) that has been ordered by a physician, advanced practice registered nurse, or physician's assistant and is specified in an assessment summary, including:

(1) tube feedings requiring:

(i) a gastrojejunostomy tube; or

(ii) continuous tube feeding lasting longer than 12 hours per day;

(2) wounds described as:

(i) stage III or stage IV;

(ii) multiple wounds;

(iii) requiring sterile or clean dressing changes or a wound vac; or

(iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized care;

(3) parenteral therapy described as:

(i) IV therapy more than two times per week lasting longer than four hours for each treatment;
or

(ii) total parenteral nutrition (TPN) daily;

(4) respiratory interventions, including:

(i) oxygen required more than eight hours per day;

(ii) respiratory vest more than one time per day;

(iii) bronchial drainage treatments more than two times per day;

(iv) sterile or clean suctioning more than six times per day;

(v) dependence on another to apply respiratory ventilation augmentation devices such as BiPAP and CPAP; and

(vi) ventilator dependence under section 256B.0651;

(5) insertion and maintenance of catheter, including:

(i) sterile catheter changes more than one time per month;

(ii) clean intermittent catheterization, and including self-catheterization more than six times per day; or

(iii) bladder irrigations;

(6) bowel program more than two times per week requiring more than 30 minutes to perform each time;

(7) neurological intervention, including:

(i) seizures more than two times per week and requiring significant physical assistance to maintain safety; or

(ii) swallowing disorders diagnosed by a physician, advanced practice registered nurse, or physician's assistant and requiring specialized assistance from another on a daily basis; and

(8) other congenital or acquired diseases creating a need for significantly increased direct hands-on assistance and interventions in six to eight activities of daily living.

(g) "Community first services and supports" or "CFSS" means the assistance and supports program under this section needed for accomplishing activities of daily living, instrumental activities of daily living, and health-related tasks through hands-on assistance to accomplish the task or constant supervision and cueing to accomplish the task, or the purchase of goods as defined in subdivision 7, clause (3), that replace the need for human assistance.

(h) "Community first services and supports service delivery plan" or "CFSS service delivery plan" means a written document detailing the services and supports chosen by the participant to meet assessed needs that are within the approved CFSS service authorization, as determined in subdivision 8. Services and supports are based on the support plan identified in sections 256B.092, subdivision 1b, and 256S.10.

(i) "Consultation services" means a Minnesota health care program enrolled provider organization that provides assistance to the participant in making informed choices about CFSS services in general and self-directed tasks in particular, and in developing a person-centered CFSS service delivery plan to achieve quality service outcomes.

(j) "Critical activities of daily living" means transferring, mobility, eating, and toileting.

(k) "Dependency" in activities of daily living means a person requires hands-on assistance or constant supervision and cueing to accomplish one or more of the activities of daily living every day or on the days during the week that the activity is performed; however, a child must not be found to be dependent in an activity of daily living if, because of the child's age, an adult would either perform the activity for the child or assist the child with the activity and the assistance needed is the assistance appropriate for a typical child of the same age.

(l) "Extended CFSS" means CFSS services and supports provided under CFSS that are included in the CFSS service delivery plan through one of the home and community-based services waivers and as approved and authorized under chapter 256S and sections 256B.092, subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state plan CFSS services for participants. Extended CFSS excludes the purchase of goods.

(m) "Financial management services provider" or "FMS provider" means a qualified organization required for participants using the budget model under subdivision 13 that is an enrolled provider with the department to provide vendor fiscal/employer agent financial management services (FMS).

(n) "Health-related procedures and tasks" means procedures and tasks related to the specific assessed health needs of a participant that can be taught or assigned by a state-licensed health care or mental health professional and performed by a support worker.

(o) "Instrumental activities of daily living" means activities related to living independently in the community, including but not limited to: meal planning, preparation, and cooking; shopping for food, clothing, or other essential items; laundry; housecleaning; assistance with medications; managing finances; communicating needs and preferences during activities; arranging supports; and assistance with traveling around and participating in the community, including traveling to medical appointments. For purposes of this paragraph, traveling includes driving and accompanying the recipient in the recipient's chosen mode of transportation and according to the individual CFSS service delivery plan.

(p) "Lead agency" has the meaning given in section 256B.0911, subdivision 10.

(q) "Legal representative" means parent of a minor, a court-appointed guardian, or another representative with legal authority to make decisions about services and supports for the participant. Other representatives with legal authority to make decisions include but are not limited to a health care agent or an attorney-in-fact authorized through a health care directive or power of attorney.

(r) "Level I behavior" means physical aggression toward self or others or destruction of property that requires the immediate response of another person.

(s) "Medication assistance" means providing verbal or visual reminders to take regularly scheduled medication, and includes any of the following supports listed in clauses (1) to (3) and other types of assistance, except that a support worker must not determine medication dose or time for medication or inject medications into veins, muscles, or skin:

(1) under the direction of the participant or the participant's representative, bringing medications to the participant including medications given through a nebulizer, opening a container of previously set-up medications, emptying the container into the participant's hand, opening and giving the medication in the original container to the participant, or bringing to the participant liquids or food to accompany the medication;

(2) organizing medications as directed by the participant or the participant's representative; and

(3) providing verbal or visual reminders to perform regularly scheduled medications.

(t) "Participant" means a person who is eligible for CFSS.

(u) "Participant's representative" means a parent, family member, advocate, or other adult authorized by the participant or participant's legal representative, if any, to serve as a representative in connection with the provision of CFSS. If the participant is unable to assist in the selection of a participant's representative, the legal representative shall appoint one.

(v) "Person-centered planning process" means a process that is directed by the participant to plan for CFSS services and supports.

(w) "Service budget" means the authorized dollar amount used for the budget model or for the purchase of goods.

(x) "Shared services" means the provision of CFSS services by the same CFSS support worker to two or three participants who voluntarily enter into a written agreement to receive services at the same time, in the same setting, and through the same agency-provider or FMS provider.

(y) "Support worker" means a qualified and trained employee of the agency-provider as required by subdivision 11b or of the participant employer under the budget model as required by subdivision 14 who has direct contact with the participant and provides services as specified within the participant's CFSS service delivery plan.

(z) "Unit" means the increment of service based on hours or minutes identified in the service agreement.

(aa) "Vendor fiscal employer agent" means an agency that provides financial management services.

(bb) "Wages and benefits" means the hourly wages and salaries, the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or other forms of employee compensation and benefits.

(cc) "Worker training and development" means services provided according to subdivision 18a for developing workers' skills as required by the participant's individual CFSS service delivery plan that are arranged for or provided by the agency-provider or purchased by the participant employer. These services include training, education, direct observation and supervision, and evaluation and coaching of job skills and tasks, including supervision of health-related tasks or behavioral supports.

Sec. 23. Minnesota Statutes 2022, section 256B.85, subdivision 6, is amended to read:

Subd. 6. **Community first services and supports service delivery plan.** (a) The CFSS service delivery plan must be developed and evaluated through a person-centered planning process by the participant, or the participant's representative or legal representative who may be assisted by a consultation services provider. The CFSS service delivery plan must reflect the services and supports that are important to the participant and for the participant to meet the needs assessed by the certified assessor and identified in the support plan identified in sections 256B.092, subdivision 1b, and 256S.10. The CFSS service delivery plan must be reviewed by the participant, the consultation services provider, and the agency-provider or FMS provider prior to starting services and at least annually upon reassessment, or when there is a significant change in the participant's condition, or a change in the need for services and supports.

(b) The commissioner shall establish the format and criteria for the CFSS service delivery plan.

(c) The CFSS service delivery plan must be person-centered and:

(1) specify the consultation services provider, agency-provider, or FMS provider selected by the participant;

- (2) reflect the setting in which the participant resides that is chosen by the participant;
 - (3) reflect the participant's strengths and preferences;
 - (4) include the methods and supports used to address the needs as identified through an assessment of functional needs;
 - (5) include the participant's identified goals and desired outcomes;
 - (6) reflect the services and supports, paid and unpaid, that will assist the participant to achieve identified goals, including the costs of the services and supports, and the providers of those services and supports, including natural supports;
 - (7) identify the amount and frequency of face-to-face supports and amount and frequency of remote supports and technology that will be used;
 - (8) identify risk factors and measures in place to minimize them, including individualized backup plans;
 - (9) be understandable to the participant and the individuals providing support;
 - (10) identify the individual or entity responsible for monitoring the plan;
 - (11) be finalized and agreed to in writing by the participant and signed by individuals and providers responsible for its implementation;
 - (12) be distributed to the participant and other people involved in the plan;
 - (13) prevent the provision of unnecessary or inappropriate care;
 - (14) include a detailed budget for expenditures for budget model participants or participants under the agency-provider model if purchasing goods; and
 - (15) include a plan for worker training and development provided according to subdivision 18a detailing what service components will be used, when the service components will be used, how they will be provided, and how these service components relate to the participant's individual needs and CFSS support worker services.
- (d) The CFSS service delivery plan must describe the units or dollar amount available to the participant. The total units of agency-provider services or the service budget amount for the budget model include both annual totals and a monthly average amount that cover the number of months of the service agreement. The amount used each month may vary, but additional funds must not be provided above the annual service authorization amount, determined according to subdivision 8, unless a change in condition is assessed and authorized by the certified assessor and documented in the support plan and CFSS service delivery plan.
- (e) In assisting with the development or modification of the CFSS service delivery plan during the authorization time period, the consultation services provider shall:
- (1) consult with the FMS provider on the spending budget when applicable; and

(2) consult with the participant or participant's representative, agency-provider, and case manager or care coordinator.

(f) The CFSS service delivery plan must be approved by the ~~consultation services provider~~ lead agency for participants without a case manager or care coordinator who is responsible for authorizing services. A case manager or care coordinator must approve the plan for a waiver or alternative care program participant.

Sec. 24. Minnesota Statutes 2022, section 256B.85, subdivision 6a, is amended to read:

Subd. 6a. **Person-centered planning process.** The person-centered planning process must:

- (1) include people chosen by the participant;
- (2) provide necessary information and support to ensure that the participant directs the process to the maximum extent possible, and is enabled to make informed choices and decisions;
- (3) be timely and occur at times and locations convenient to the participant;
- (4) reflect cultural considerations of the participant;
- (5) include within the process strategies for solving conflict or disagreement, including clear conflict-of-interest guidelines as identified in Code of Federal Regulations, title 42, section ~~441.500~~ 441.540, for all planning;
- (6) provide the participant choices of the services and supports the participant receives and the staff providing those services and supports;
- (7) include a method for the participant to request updates to the plan; and
- (8) record the alternative home and community-based settings that were considered by the participant.

Sec. 25. Minnesota Statutes 2022, section 256B.85, subdivision 11, is amended to read:

Subd. 11. **Agency-provider model.** (a) The agency-provider model includes services provided by support workers and staff providing worker training and development services who are employed by an agency-provider that meets the criteria established by the commissioner, including required training.

(b) The agency-provider shall allow the participant to have a significant role in the selection and dismissal of the support workers for the delivery of the services and supports specified in the participant's CFSS service delivery plan. The agency must make a reasonable effort to fulfill the participant's request for the participant's preferred support worker.

(c) A participant may use authorized units of CFSS services as needed within a service agreement that is not greater than 12 months. Using authorized units in a flexible manner in either the agency-provider model or the budget model does not increase the total amount of services and supports authorized for a participant or included in the participant's CFSS service delivery plan.

(d) A participant may share CFSS services. Two or three CFSS participants may share services at the same time provided by the same support worker.

(e) The agency-provider must use a minimum of 72.5 percent of the revenue generated by the medical assistance payment for CFSS for support worker wages and benefits, except all of the revenue generated by a medical assistance rate increase due to a collective bargaining agreement under section 179A.54 must be used for support worker wages and benefits. The agency-provider must document how this requirement is being met. The revenue generated by the worker training and development services and the reasonable costs associated with the worker training and development services must not be used in making this calculation.

(f) The agency-provider model must be used by participants who are restricted by the Minnesota restricted recipient program under Minnesota Rules, parts 9505.2160 to 9505.2245.

(g) Participants purchasing goods under this model, along with support worker services, must:

(1) specify the goods in the CFSS service delivery plan and detailed budget for expenditures that must be approved by the ~~consultation services provider~~ lead agency, case manager, or care coordinator; and

(2) use the FMS provider for the billing and payment of such goods.

(h) The agency provider is responsible for ensuring that any worker driving a participant under subdivision 2, paragraph (o), has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

Sec. 26. Minnesota Statutes 2023 Supplement, section 256B.85, subdivision 13a, is amended to read:

Subd. 13a. **Financial management services.** (a) Services provided by an FMS provider include but are not limited to: filing and payment of federal and state payroll taxes and premiums on behalf of the participant; initiating and complying with background study requirements under chapter 245C and maintaining documentation of background study requests and results; billing for approved CFSS services with authorized funds; monitoring expenditures; accounting for and disbursing CFSS funds; providing assistance in obtaining and filing for liability, workers' compensation, family and medical benefit insurance, and unemployment coverage; and providing participant instruction and technical assistance to the participant in fulfilling employer-related requirements in accordance with section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1.

(b) Agency-provider services shall not be provided by the FMS provider.

(c) The FMS provider shall provide service functions as determined by the commissioner for budget model participants that include but are not limited to:

(1) assistance with the development of the detailed budget for expenditures portion of the CFSS service delivery plan as requested by the consultation services provider or participant;

(2) data recording and reporting of participant spending;

(3) other duties established by the department, including with respect to providing assistance to the participant, participant's representative, or legal representative in performing employer responsibilities regarding support workers. The support worker shall not be considered the employee of the FMS provider; and

(4) billing, payment, and accounting of approved expenditures for goods.

(d) The FMS provider shall obtain an assurance statement from the participant employer agreeing to follow state and federal regulations and CFSS policies regarding employment of support workers.

(e) The FMS provider shall:

(1) not limit or restrict the participant's choice of service or support providers or service delivery models consistent with any applicable state and federal requirements;

(2) provide the participant, consultation services provider, and case manager or care coordinator, if applicable, with a monthly written summary of the spending for services and supports that were billed against the spending budget;

(3) be knowledgeable of state and federal employment regulations, including those under the Fair Labor Standards Act of 1938, and comply with the requirements under chapter 268B and section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1, regarding agency employer tax liability for vendor fiscal/employer agent, and any requirements necessary to process employer and employee deductions, provide appropriate and timely submission of employer tax liabilities, and maintain documentation to support medical assistance claims;

(4) have current and adequate liability insurance and bonding and sufficient cash flow as determined by the commissioner and have on staff or under contract a certified public accountant or an individual with a baccalaureate degree in accounting;

(5) assume fiscal accountability for state funds designated for the program and be held liable for any overpayments or violations of applicable statutes or rules, including but not limited to the Minnesota False Claims Act, chapter 15C;

(6) maintain documentation of receipts, invoices, and bills to track all services and supports expenditures for any goods purchased and maintain time records of support workers. The documentation and time records must be maintained for a minimum of five years from the claim date and be available for audit or review upon request by the commissioner. Claims submitted by the FMS provider to the commissioner for payment must correspond with services, amounts, and time periods as authorized in the participant's service budget and service plan and must contain specific identifying information as determined by the commissioner; and

(7) provide written notice to the participant or the participant's representative at least 30 calendar days before a proposed service termination becomes effective, except in cases where:

(i) the participant engages in conduct that significantly alters the terms of the CFSS service delivery plan with the FMS;

(ii) the participant or other persons at the setting where services are being provided engage in conduct that creates an imminent risk of harm to the support worker or other staff; or

(iii) an emergency or a significant change in the participant's condition occurs within a 24-hour period that results in the participant's service needs exceeding the participant's identified needs in the current CFSS service delivery plan so that the plan cannot safely meet the participant's needs.

(f) The commissioner shall:

(1) establish rates and payment methodology for the FMS provider;

(2) identify a process to ensure quality and performance standards for the FMS provider and ensure statewide access to FMS providers; and

(3) establish a uniform protocol for delivering and administering CFSS services to be used by eligible FMS providers.

Sec. 27. Minnesota Statutes 2022, section 256B.85, subdivision 17, is amended to read:

Subd. 17. **Consultation services duties.** Consultation services is a required service that includes:

(1) entering into a written agreement with the participant, participant's representative, or legal representative that includes but is not limited to the details of services, service delivery methods, dates of services, and contact information;

(2) providing an initial and annual orientation to CFSS information and policies, including selecting a service model;

(3) assisting with accessing FMS providers or agency-providers;

(4) providing assistance with the development, implementation, management, documentation, and evaluation of the person-centered CFSS service delivery plan;

~~(5) approving the CFSS service delivery plan for a participant without a case manager or care coordinator who is responsible for authorizing services;~~

~~(6)~~ (5) maintaining documentation of the approved CFSS service delivery plan;

~~(7)~~ (6) distributing copies of the final CFSS service delivery plan to the participant and to the agency-provider or FMS provider, case manager or care coordinator, and other designated parties;

~~(8)~~ (7) assisting to fulfill responsibilities and requirements of CFSS, including modifying CFSS service delivery plans and changing service models;

~~(9)~~ (8) if requested, providing consultation on recruiting, selecting, training, managing, directing, supervising, and evaluating support workers;

~~(10)~~ (9) evaluating services upon receiving information from an FMS provider indicating spending or participant employer concerns;

~~(11)~~ (10) reviewing the use of and access to informal and community supports, goods, or resources;

~~(12)~~ (11) a semiannual review of services if the participant does not have a case manager or care coordinator and when the support worker is a paid parent of a minor participant or the participant's spouse;

~~(13)~~ (12) collecting and reporting of data as required by the department;

~~(14)~~ (13) providing the participant with a copy of the participant protections under subdivision 20 at the start of consultation services;

~~(15)~~ (14) providing assistance to resolve issues of noncompliance with the requirements of CFSS;

~~(16)~~ (15) providing recommendations to the commissioner for changes to services when support to participants to resolve issues of noncompliance have been unsuccessful; and

~~(17)~~ (16) other duties as assigned by the commissioner.

Sec. 28. Minnesota Statutes 2022, section 256B.85, is amended by adding a subdivision to read:

Subd. 18b. **Worker training and development services; remote visits.** (a) Except as provided in paragraph (b), the worker training and development services specified in subdivision 18a, paragraph (c), clauses (3) and (4), may be provided to recipients with chronic health conditions or severely compromised immune systems via two-way interactive audio and visual telecommunications if, at the recipient's request, the recipient's primary health care provider:

(1) determines that remote worker training and development services are appropriate; and

(2) documents the determination under clause (1) in a statement of need or other document that is subsequently included in the recipient's CFSS service delivery plan.

(b) The worker training and development services specified in subdivision 18a, paragraph (c), clause (3), provided at the start of services or the start of employment of a new support worker must not be conducted via two-way interactive audio and visual telecommunications.

(c) A recipient may request to return to in-person worker training and development services at any time.

EFFECTIVE DATE. This section is effective July 1, 2024, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 29. Minnesota Statutes 2022, section 256B.85, subdivision 20, is amended to read:

Subd. 20. **Participant protections.** (a) All CFSS participants have the protections identified in this subdivision.

(b) Participants or participant's representatives must be provided with adequate information, counseling, training, and assistance, as needed, to ensure that the participant is able to choose and manage services, models, and budgets. This information must be provided by the consultation services provider at the time of the initial or annual orientation to CFSS, at the time of reassessment, or when requested by the participant or participant's representative. This information must explain:

(1) person-centered planning;

(2) the range and scope of participant choices, including the differences between the agency-provider model and the budget model, available CFSS providers, and other services available in the community to meet the participant's needs;

(3) the process for changing plans, services, and budgets;

(4) identifying and assessing appropriate services; and

(5) risks to and responsibilities of the participant under the budget model.

(c) The consultation services provider must ensure that the participant chooses freely between the agency-provider model and the budget model and among available agency-providers and that the participant may change agency-providers after services have begun.

(d) A participant who appeals a reduction in previously authorized CFSS services may continue previously authorized services pending an appeal in accordance with section 256.045.

(e) If the units of service or budget allocation for CFSS are reduced, denied, or terminated, the commissioner must provide notice of the reasons for the reduction in the participant's notice of denial, termination, or reduction.

(f) If all or part of a CFSS service delivery plan is denied approval by the ~~consultation services provider~~ lead agency, the ~~consultation services provider~~ lead agency must provide a notice that describes the basis of the denial.

Sec. 30. Laws 2021, First Special Session chapter 7, article 13, section 75, is amended to read:

Sec. 75. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; WAIVER REIMAGINE AND INFORMED CHOICE STAKEHOLDER CONSULTATION.

Subdivision 1. **Stakeholder consultation; generally.** (a) The commissioner of human services must consult with and seek input and assistance from stakeholders concerning potential adjustments to the streamlined service menu from waiver reimagine phase I and to the existing rate exemption criteria and process.

(b) The commissioner of human services must consult with ~~and~~ and collaborate with stakeholders concerning the development and implementation of waiver reimagine phase II, including criteria and a process for individualized budget exemptions, and how waiver reimagine phase II can support and expand informed choice and informed decision making, including integrated employment, independent living, and self-direction, consistent with Minnesota Statutes, section 256B.4905.

(c) The commissioner of human services must consult with, seek input and assistance from, and collaborate with stakeholders concerning the implementation and revisions of the MnCHOICES 2.0 assessment tool.

Subd. 2. **Public stakeholder engagement.** The commissioner must offer a public method to regularly receive input and concerns from people with disabilities and their families about waiver reimagine phase II. The commissioner shall provide ~~regular~~ quarterly public updates on policy development and on how recent stakeholder input ~~was used throughout the~~ is being incorporated into the current development and implementation of waiver reimagine phase II.

Subd. 3. **Waiver Reimagine Advisory Committee.** (a) The commissioner must convene, at regular intervals throughout the development and implementation of waiver reimagine phase II, a Waiver Reimagine Advisory Committee that consists of a group of diverse, representative stakeholders. The commissioner must solicit and endeavor to include racially, ethnically, and geographically diverse membership from each of the following groups:

- (1) people with disabilities who use waiver services;
- (2) family members of people who use waiver services;
- (3) disability and behavioral health advocates;
- (4) lead agency representatives; and
- (5) waiver service providers.

(b) The assistant commissioner of aging and disability services must attend and participate in meetings of the Waiver Reimagine Advisory Committee.

(c) The Waiver Reimagine Advisory Committee must have the opportunity to ~~assist~~ collaborate in a meaningful way in developing and providing feedback on proposed plans for waiver reimagine components, including an individual budget methodology, criteria and a process for individualized budget exemptions, the consolidation of the four current home and community-based waiver service programs into two-waiver programs, the role of assessments and the MnCHOICES 2.0 assessment tool in determining service needs and individual budgets, and other aspects of waiver reimagine phase II.

~~(e)~~ (d) The Waiver Reimagine Advisory Committee must have an opportunity to assist in the development of and provide feedback on proposed adjustments and modifications to the streamlined menu of services and the existing rate exception criteria and process.

Subd. 4. **Required report.** Prior to seeking federal approval for any aspect of waiver reimagine phase II and in ~~consultation~~ collaboration with the Waiver Reimagine Advisory Committee, the commissioner must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services a report on plans for waiver reimagine phase II. The report must also include any plans to adjust or modify the streamlined menu of services ~~or,~~ the existing rate exemption criteria or process, the proposed individual budget ranges, and the role of MnCHOICES 2.0 assessment tool in determining service needs and individual budget ranges.

Subd. 5. **Transition process.** (a) Prior to implementation of wavier reimagine phase II, the commissioner must establish a process to assist people who use waiver services and lead agencies transition to a two-waiver system with an individual budget methodology.

(b) The commissioner must ensure that the new waiver service menu and individual budgets allow people to live in their own home, family home, or any home and community-based setting of their choice. The commissioner must ensure, ~~within available resources and~~ subject to state and federal regulations and law, that waiver reimagine does not result in unintended service disruptions.

Subd. 6. **Online support planning tool.** The commissioner must develop an online support planning and tracking tool for people using disability waiver services that allows access to the total budget available to the person, the services for which they are eligible, and the services they have chosen and used. The commissioner must explore operability options that would facilitate real-time tracking of a person's remaining available budget throughout the service year. The online support planning tool must provide information in an accessible format to support the person's informed choice. The commissioner must seek input from people with disabilities about the online support planning tool prior to its implementation.

Subd. 7. **Curriculum and training.** The commissioner must develop and implement a curriculum and training plan to ensure all lead agency assessors and case managers have the knowledge and skills necessary to comply with informed decision making for people who used home and community-based disability waivers. Training and competency evaluations must be completed annually by all staff responsible for case management as described in Minnesota Statutes, sections 256B.092, subdivision 1a, paragraph (f), and 256B.49, subdivision 13, paragraph (e).

Sec. 31. **ASSISTIVE TECHNOLOGY LEAD AGENCY PARTNERSHIPS.**

(a) Lead agencies may establish partnerships with enrolled medical assistance providers of home and community-based services under Minnesota Statutes, sections 256B.0913, 256B.092, 256B.093, or 256B.49, or Minnesota Statutes, chapter 256S, to evaluate the benefits of informed choice in accessing the following existing assistive technology home and community-based waiver services:

- (1) assistive technology;
- (2) specialized equipment and supplies;
- (3) environmental accessibility adaptations;
- (4) client and caregiver training;
- (5) 24-hour emergency assistance; or
- (6) any other cost-effective, allowable waiver services and benefits related to assistive technology.

(b) Lead agencies may prioritize eligible individuals who desire to participate in the partnership authorized by this section, using existing home and community-based waiver criteria under Minnesota Statutes, chapters 256B and 256S, which may include but are not limited to:

- (1) significant clinical acuity due to one or more chronic medical conditions;

- (2) multiple emergency room visits or inpatient admissions during the prior 365 days;
- (3) a diagnosis of a behavioral or complex chronic condition;
- (4) challenges in finding nonemergency medical transportation in the individual's region; or
- (5) an inability to find available primary care providers.

(c) Lead agencies must ensure individuals who choose to participate have informed choice in accessing the services and must adhere to conflict free case management requirements.

(d) Lead agencies may identify efficiencies, as well as utilize an alternative, evidence-based methodology that results in expedited review and approval for service authorizations, provide evidence-based cost data and quality analysis to the commissioner, and collect feedback on the use of technology systems from home and community-based waiver services recipients, family caregivers, and any other interested community partners.

Sec. 32. COMMUNITY ACCESS FOR DISABILITY INCLUSION WAIVER CUSTOMIZED LIVING SERVICES PROVIDERS LOCATED IN HENNEPIN COUNTY.

The community access for disability inclusion (CADI) waiver customized living and 24-hour customized living size and age limitation does not apply to two housing settings located in the city of Minneapolis that are financed by low-income housing tax credits created in calendar years 2005 and 2011 and in which 24-hour customized living services are provided to residents enrolled in the CADI waiver by Clare Housing.

ARTICLE 2

DEAF, DEAFBLIND, AND HARD-OF-HEARING SERVICES

Section 1. Minnesota Statutes 2022, section 256C.21, is amended to read:

256C.21 DEAF, DEAFBLIND, AND HARD-OF-HEARING SERVICES ACT; CITATION.

Sections 256C.21 to ~~256C.26~~ 256C.261 may be cited as the "Deaf, DeafBlind, and Hard-of-Hearing Services Act."

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 2. Minnesota Statutes 2022, section 256C.23, subdivision 1a, is amended to read:

Subd. 1a. **Culturally affirmative.** "Culturally affirmative" describes services that are designed and delivered within the context of the culture, identity, language, communication, and life experiences of a person ~~persons~~ who is ~~are~~ deaf, a person ~~persons~~ who is ~~are~~ deafblind, and a person ~~persons~~ who is ~~are~~ hard-of-hearing.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 256C.23, is amended by adding a subdivision to read:

Subd. 1b. **Linguistically affirmative.** "Linguistically affirmative" describes services that are designed and delivered within the context of the language and communication experiences of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 256C.23, subdivision 2, is amended to read:

Subd. 2. **Deaf.** "Deaf" means a hearing loss of such severity that the individual must depend where the person communicates primarily on visual communication such as through American Sign Language or ~~other~~ another signed language, visual and manual means of communication such as signing systems in English ~~or~~, Cued Speech, reading and writing, speech reading, and gestures or other visual communication.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 256C.23, subdivision 2a, is amended to read:

Subd. 2a. **Hard-of-hearing.** "Hard-of-hearing" means a hearing loss ~~resulting in a functional loss of hearing, but not to the extent that the individual must depend~~ where the person does not communicate primarily ~~upon~~ through visual communication.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 6. Minnesota Statutes 2022, section 256C.23, subdivision 2b, is amended to read:

Subd. 2b. **Deafblind.** "Deafblind" means any combination of vision and hearing loss ~~which interferes with acquiring information from the environment to the extent that compensatory~~ where the person uses visual, auditory, or tactile strategies and skills ~~are necessary~~ such as the use of a tactile form of a visual or spoken language to access ~~that~~ communication, information from the environment, or other information.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 256C.23, subdivision 2c, is amended to read:

Subd. 2c. **Interpreting services.** "Interpreting services" means services that include:

(1) interpreting between a spoken language, such as English, and a visual language, such as American Sign Language or another signed language;

(2) interpreting between a spoken language and a visual representation of a spoken language, such as Cued Speech ~~and~~ or signing systems in English;

(3) interpreting within one language where the interpreter ~~uses natural gestures and silently repeats the spoken message, replacing some words or phrases to give higher visibility on the lips~~ make the message more readable;

(4) interpreting using low vision or tactile methods, signing systems, or signed languages for persons who ~~have a combined hearing and vision loss or are deafblind;~~ and

(5) interpreting from one communication mode or language into another communication mode or language that is linguistically and culturally appropriate for the participants in the communication exchange.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 8. Minnesota Statutes 2022, section 256C.23, subdivision 6, is amended to read:

Subd. 6. **Real-time captioning.** "Real-time captioning" means a method of captioning in which ~~a caption is~~ captions are simultaneously prepared and displayed or transmitted at the time of origination by specially trained real-time captioners.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 9. Minnesota Statutes 2022, section 256C.23, subdivision 7, is amended to read:

Subd. 7. **Family and community intervener.** "Family and community intervener" means a ~~paraprofessional,~~ person who is specifically trained in deafblindness, ~~who~~ and works one-on-one with a child who is deafblind to provide critical ~~connections~~ access to language, communication, people, and the environment.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 10. Minnesota Statutes 2022, section 256C.233, subdivision 1, is amended to read:

Subdivision 1. **Deaf, DeafBlind, and Hard-of-Hearing Hard of Hearing State Services Division.** The commissioners of commerce, education, employment and economic development, and health shall ~~advise partner with the commissioner of human services on the interagency activities of the Deaf, DeafBlind, and Hard-of-Hearing~~ Hard of Hearing State Services Division. This division addresses the developmental and social-emotional needs of provides services for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing through a statewide network of programs, services, and supports. This division also advocates on behalf of and provides information and training about how to best serve persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing. The commissioner of human services shall coordinate the work of the interagency advisers and partners, receive legislative appropriations for the division, and provide grants through the division for programs, services, and supports for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in identified areas of need such as deafblind services, family services, interpreting services, and mental health services.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 11. Minnesota Statutes 2022, section 256C.233, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** The Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division shall:

(1) establish and maintain a statewide network of regional culturally and linguistically affirmative services for Minnesotans who are deaf, Minnesotans who are deafblind, and Minnesotans who are hard-of-hearing;

(2) work across divisions within the Department of Human Services, as well as with other agencies and counties, to ensure that there is an understanding of:

(i) the communication access challenges faced by persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

(ii) the best practices for accommodating and ~~mitigating~~ addressing communication access challenges; and

(iii) the legal requirements for providing access to and effective communication with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

(3) assess the supply and demand statewide for ~~interpreter~~ interpreting services and real-time captioning services, implement strategies to provide greater access to these services in areas without sufficient supply, and ~~build the base of partner with interpreting service providers and real-time captioning service providers~~ across the state;

(4) maintain a statewide information resource that includes contact information and professional ~~certification credentials~~ certifications of interpreting service providers and real-time captioning service providers;

(5) provide culturally and linguistically affirmative mental health services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing who:

(i) use a visual language such as American Sign Language, another sign language, or a tactile form of a visual language; or

(ii) otherwise need culturally and linguistically affirmative ~~therapeutic~~ mental health services;

(6) research and develop best practices and recommendations for emerging issues; and

(7) provide as much information as practicable on the division's stand-alone website in American Sign Language; ~~and~~ .

~~(8) report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services biennially, beginning on January 1, 2019, on the following:~~

~~(i) the number of regional service center staff, the location of the office of each staff person, other service providers with which they are colocated, the number of people served by each staff person and a breakdown of whether each person was served on-site or off-site, and for those served off-site, a list of locations where services were delivered and the number who were served in-person and the number who were served via technology;~~

~~(ii) the amount and percentage of the division budget spent on reasonable accommodations for staff;~~

~~(iii) the number of people who use demonstration equipment and consumer evaluations of the experience;~~

~~(iv) the number of training sessions provided by division staff, the topics covered, the number of participants, and consumer evaluations, including a breakdown by delivery method such as in-person or via technology;~~

~~(v) the number of training sessions hosted at a division location provided by another service provider, the topics covered, the number of participants, and consumer evaluations, including a breakdown by delivery method such as in-person or via technology;~~

~~(vi) for each grant awarded, the amount awarded to the grantee and a summary of the grantee's results, including consumer evaluations of the services or products provided;~~

~~(vii) the number of people on waiting lists for any services provided by division staff or for services or equipment funded through grants awarded by the division;~~

~~(viii) the amount of time staff spent driving to appointments to deliver direct one-to-one client services in locations outside of the regional service centers; and~~

~~(ix) the regional needs and feedback on addressing service gaps identified by the advisory committees.~~

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 12. Minnesota Statutes 2022, section 256C.24, subdivision 1, is amended to read:

Subdivision 1. **Location.** The Deaf, ~~DeafBlind~~, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division shall establish at least six regional service centers for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing. The centers shall be distributed regionally to provide access for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in all parts of the state.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 13. Minnesota Statutes 2022, section 256C.24, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** Each regional service center shall:

(1) employ qualified staff to work with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

~~(+)~~ (2) establish connections and collaborations ~~and explore colocating~~ with other public and private entities providing services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in the region;

~~(2)~~ (3) for those in need of services, assist in coordinating services between service providers and persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families, and make referrals to the services needed;

~~(3) employ staff trained to work with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;~~

(4) if adequate or accessible services are not available from another public or private service provider in the region, provide individual culturally and linguistically affirmative assistance with service supports and solutions to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families. ~~Individual culturally affirmative assistance may be provided using technology only in areas of the state where a person has access to sufficient quality telecommunications or broadband services to allow effective communication. When a person who is deaf, a person who is deafblind, or a person who is hard-of-hearing does not have access to sufficient telecommunications or broadband service, individual assistance shall be available in person;~~

(5) identify regional training and resource needs, ~~work with deaf and hard-of-hearing services training staff, and collaborate with others to~~ and deliver training and resources for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families, and other service providers about subjects including the persons' rights under the law, American Sign Language, and the impact of hearing loss and options for accommodating it;

(6) have a mobile or permanent lab where persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing can try a selection of ~~modern~~ assistive technology, telecommunications equipment, and other technology and equipment to determine what would best meet the persons' needs;

(7) collaborate with ~~the Resource Center for the Deaf and Hard-of-Hearing Persons, other divisions of the Department of Education and local school districts to develop and deliver programs and services for~~ provide information and resources to families with children who are deaf, children who are deafblind, or children who are hard-of-hearing and to support school personnel serving these children;

(8) provide training, resources, and consultation ~~to the social service or income maintenance staff employed by counties or by organizations with whom counties contract for services to ensure that~~ human services providers about communication barriers which prevent access and other needs of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing from using services are removed;

~~(9) provide training to human service agencies in the region regarding program access for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;~~

~~(10)~~ (9) assess the ongoing need and supply of services for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in all parts of the state; annually consult with the division's advisory committees to identify regional needs and solicit feedback on addressing service gaps; and ~~cooperate~~ collaborate with public and private service providers ~~to develop these services on service solutions;~~

~~(11)~~ (10) provide culturally and linguistically affirmative mental health services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing who:

(i) use a visual language such as American Sign Language, another sign language, or a tactile form of a visual language; or

(ii) otherwise need culturally and linguistically affirmative ~~therapeutic~~ mental health services; and

~~(12)~~ (11) establish partnerships with state and regional entities statewide ~~that have the technological capacity~~ to provide Minnesotans with virtual access to the division's services and ~~division-sponsored training via~~ through technology.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 14. Minnesota Statutes 2022, section 256C.24, subdivision 3, is amended to read:

Subd. 3. **Advisory committee.** The director of the Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division shall appoint eight advisory committees of up to nine persons per advisory committee. Each committee shall represent a specific region of the state. The director shall determine the boundaries of each advisory committee region. The committees shall advise the director on the needs of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing and service gaps in the region of the state the committee represents. Members shall include persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, persons who have communication disabilities, parents of children who are deaf, parents of children who are deafblind, and parents of children who are hard-of-hearing, parents of children who have communication disabilities, and representatives of county and regional human services, including representatives of private service providers. At least 50 percent of the members must be deaf or deafblind or hard-of-hearing or have a communication disability. Committee members shall serve for a three-year term, ~~and may be appointed to~~. Committee members shall serve no more than three consecutive terms and no more than nine years in total. Each advisory committee shall elect a chair. The director of the Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division ~~shall may~~ assign staff to serve as nonvoting members of the committee. Members shall not receive a per diem. Otherwise, the compensation, removal of members, and filling of vacancies on the committee shall be as provided in section 15.0575.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 15. Minnesota Statutes 2022, section 256C.26, is amended to read:

256C.26 EMPLOYMENT SERVICES.

The commissioner of employment and economic development shall work with the Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division to develop and implement a plan to deal with the underemployment of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing ~~persons~~.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 16. Minnesota Statutes 2022, section 256C.261, is amended to read:

256C.261 SERVICES FOR PERSONS WHO ARE DEAFBLIND.

(a) The commissioner of human services shall use at least ~~35~~ 60 percent of the deafblind services biennial base level grant funding for programs, services, and ~~other~~ supports for ~~a child~~ adults who

are deafblind and for children who ~~is~~ are deafblind and the ~~child's family~~ children's families. The commissioner shall use at least 25 percent of the deafblind services biennial base level grant funding for services and other supports for an adult who is deafblind.

The commissioner shall award grants for the purposes of:

(1) providing programs, services, and supports to persons who are deafblind; and

~~(2) developing and providing training to counties and the network of senior citizen service providers. The purpose of the training grants is to teach counties how to use existing programs that capture federal financial participation to meet the needs of eligible persons who are deafblind and to build capacity of senior service programs to meet the needs of seniors with a dual sensory hearing and vision loss.~~

(b) The commissioner may make grants:

(1) for services and training provided by organizations to persons who are deafblind; and

(2) to develop and administer consumer-directed services: for persons who are deafblind; and

(3) to develop and provide training to counties and service providers on how to meet the needs of persons who are deafblind.

(c) Consumer-directed services ~~shall~~ must be provided in whole by grant-funded providers. ~~The Deaf and Hard of Hearing Services Division's regional service centers shall not provide any aspect of a grant-funded consumer-directed services program.~~

~~(d) Any entity that is able to satisfy the grant criteria is eligible to receive a grant under paragraph (a).~~

~~(e)~~ (d) Deafblind service providers may, but are not required to, provide ~~intervener~~ intervener services as part of the service package provided with grant funds under this section. Intervener services include services provided by a family and community intervener as described in paragraph ~~(f)~~ (e).

~~(f)~~ (e) The family and community intervener, as defined in section 256C.23, subdivision 7, provides services to open channels of communication between the child and others; facilitates the development or use of receptive and expressive communication skills by the child; and develops and maintains a trusting, interactive relationship that promotes social and emotional well-being. The family and community intervener also provides access to information and the environment; and facilitates opportunities for learning and development. A family and community intervener must have specific training in deafblindness, building language and communication skills, and intervention strategies.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 17. Minnesota Statutes 2022, section 256C.28, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The Commission of the Deaf, DeafBlind and Hard of Hearing consists of ~~seven~~ ten members appointed at large and one member each from ~~each~~ up to five advisory

~~committee~~ committees established under section 256C.24, subdivision 3. At least 50 percent of the voting members must be deaf or deafblind or hard-of-hearing. Members shall include ~~persons who are deaf, deafblind, and hard-of-hearing, parents at least one parent or guardian of children a person who is deaf, deafblind, and or hard-of-hearing, and representatives of county and regional human services, including representatives of private service providers.~~ The commissioners of education, health, human rights, and employment and economic development and the director of the Deaf and Hard-of-Hearing Services Division in the Department of Human Services, or their designees, shall serve as ex officio, nonvoting members of the commission. The commission may appoint additional ex officio members from other bureaus, divisions, or sections of state departments directly concerned with the provision of services to persons who are deaf, deafblind, or hard-of-hearing.

(b) ~~Commission~~ Voting members of the commission are appointed by the governor for a four-year term and until successors are appointed and qualify. ~~Commission~~ Voting members of the commission shall serve no more than three consecutive full terms, ~~and no more than 12 years in total.~~

(c) Annually, by January 31, the commission shall select one member as chair and one member as vice-chair to serve until January 31 of the following year or until the commission selects a new chair or vice-chair, whichever occurs later.

ARTICLE 3

AGING SERVICES

Section 1. Minnesota Statutes 2022, section 144A.20, subdivision 4, is amended to read:

Subd. 4. **Assisted living director qualifications; ongoing training.** (a) The Board of Executives for Long Term Services and Supports may issue licenses to qualified persons as an assisted living director and shall approve training and examinations. No license shall be issued to a person as an assisted living director unless that person:

(1) is eligible for licensure;

(2) has applied for licensure under this subdivision within ~~six months~~ 30 days of hire; and

(3) has satisfactorily met standards set by the board ~~or is scheduled to complete the training in paragraph (b) within one year of hire.~~ The standards shall be designed to assure that assisted living directors are individuals who, by training or experience, are qualified to serve as assisted living directors.

(b) In order to be qualified to serve as an assisted living director, an individual must:

(1) have completed an approved training course and passed an examination approved by the board that is designed to test for competence and that includes assisted living facility laws in Minnesota; or

(2)(i) currently be licensed in the state of Minnesota as a nursing home administrator or have been validated as a qualified health services executive by the National Association of Long Term Care Administrator Boards; and

(ii) have core knowledge of assisted living facility laws; ~~or,~~

~~(3) apply for licensure by July 1, 2021, and satisfy one of the following:~~

~~(i) have a higher education degree in nursing, social services, or mental health, or another professional degree with training specific to management and regulatory compliance;~~

~~(ii) have at least three years of supervisory, management, or operational experience and higher education training applicable to an assisted living facility;~~

~~(iii) have completed at least 1,000 hours of an executive in training program provided by an assisted living director licensed under this subdivision; or~~

~~(iv) have managed a housing with services establishment operating under assisted living title protection for at least three years.~~

(c) An assisted living director must receive at least 30 hours of training continuing education every two years on topics relevant to the operation of an assisted living facility and the needs of its residents. An assisted living director must maintain records of the training required by this paragraph for at least the most recent three-year period and must provide these records to Department of Health surveyors upon request. Continuing education earned to maintain another professional license, such as a nursing home administrator license, nursing license, social worker license, mental health professional license, or real estate license, may be used to satisfy this requirement when the continuing education is relevant to the assisted living services offered and residents served at the assisted living facility.

Sec. 2. Minnesota Statutes 2022, section 144G.08, subdivision 7, is amended to read:

Subd. 7. **Assisted living facility.** (a) "Assisted living facility" means a facility that provides sleeping accommodations and assisted living services to one or more adults. Assisted living facility includes assisted living facility with dementia care, ~~and,~~

(b) Assisted living facility does not include:

(1) emergency shelter, transitional housing, or any other residential units serving exclusively or primarily homeless individuals, as defined under section 116L.361;

(2) a nursing home licensed under chapter 144A;

(3) a hospital, certified boarding care, or supervised living facility licensed under sections 144.50 to 144.56;

(4) a lodging establishment licensed under chapter 157 and Minnesota Rules, parts 9520.0500 to 9520.0670, or under chapter 245D, 245G, or 245I;

(5) services and residential settings licensed under chapter 245A, including adult foster care and services and settings governed under the standards in chapter 245D;

(6) a private home in which the residents are related by kinship, law, or affinity with the provider of services;

(7) a duly organized condominium, cooperative, and common interest community, or owners' association of the condominium, cooperative, and common interest community where at least 80 percent of the units that comprise the condominium, cooperative, or common interest community are occupied by individuals who are the owners, members, or shareholders of the units;

(8) a temporary family health care dwelling as defined in sections 394.307 and 462.3593;

(9) a setting offering services conducted by and for the adherents of any recognized church or religious denomination for its members exclusively through spiritual means or by prayer for healing;

(10) housing financed pursuant to sections 462A.37 and 462A.375, units financed with low-income housing tax credits pursuant to United States Code, title 26, section 42, and units financed by the Minnesota Housing Finance Agency that are intended to serve individuals with disabilities or individuals who are homeless, ~~except for those developments that market or hold themselves out as assisted living facilities and provide assisted living services;~~

(11) rental housing developed under United States Code, title 42, section 1437, or United States Code, title 12, section 1701q;

(12) rental housing designated for occupancy by only elderly or elderly and disabled residents under United States Code, title 42, section 1437e, or rental housing for qualifying families under Code of Federal Regulations, title 24, section 983.56;

(13) rental housing funded under United States Code, title 42, chapter 89, or United States Code, title 42, section 8011;

(14) a covered setting as defined in section 325F.721, subdivision 1, paragraph (b); or

(15) any establishment that exclusively or primarily serves as a shelter or temporary shelter for victims of domestic or any other form of violence.

(c) Notwithstanding paragraphs (a) and (b), assisted living facility includes a facility, setting, or development, however funded, that markets or holds itself out as assisted living, an assisted living facility, an assisted living facility with dementia care, memory care, or a memory care facility.

Sec. 3. Minnesota Statutes 2022, section 144G.30, subdivision 5, is amended to read:

Subd. 5. **Correction orders.** (a) A correction order may be issued whenever the commissioner finds upon survey or during a complaint investigation that a facility, a managerial official, an agent of the facility, or an employee of the facility is not in compliance with this chapter. The correction order shall cite the specific statute and document areas of noncompliance and the time allowed for correction.

(b) The commissioner shall mail or email copies of any correction order to the facility within 30 calendar days after the survey exit date. A copy of each correction order and copies of any documentation supplied to the commissioner shall be kept on file by the facility and public documents shall be made available for viewing by any person upon request. Copies may be kept electronically.

(c) By the correction order date, the facility must:

(1) document in the facility's records any action taken to comply with the correction order. The commissioner may request a copy of this documentation and the facility's action to respond to the correction order in future surveys, upon a complaint investigation, and as otherwise needed; and

(2) post or otherwise make available, in a manner or location readily accessible to residents and others, the most recent plan of correction documenting the actions taken by the facility to comply with the correction order.

(d) After the plan of correction is posted or otherwise made available under paragraph (c), clause (2), the facility must provide a copy of the facility's most recent plan of correction to any individual who requests it. A copy of the most recent plan of correction must be provided within 30 days after the request and in a format determined by the facility, except the facility must make reasonable accommodations in providing the plan of correction in another format upon request.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to correction orders issued on or after that date.

Sec. 4. Minnesota Statutes 2022, section 256.975, subdivision 7e, is amended to read:

Subd. 7e. **Long-term care options counseling ~~for assisted living~~ at critical care transitions.**

(a) The purpose of long-term care options counseling ~~for assisted living~~ is to support persons with current or anticipated long-term care needs in making informed choices among options that include the most cost-effective and least restrictive settings. ~~Prospective residents maintain the right to choose assisted living if that option is their preference.~~ Reaching people before a crisis and during care transitions is important to ensure quality of care and life, prevent unnecessary hospitalizations and readmissions, reduce the burden on the health care system, reduce costs, and support personal preferences.

(b) ~~Licensed assisted living facilities shall inform each prospective resident or the prospective resident's designated or legal representative of the availability of long-term care options counseling for assisted living and the need to receive and verify the counseling prior to signing a contract. Long-term care options counseling for assisted living is provided as determined by the commissioner of human services. The service is delivered under a partnership between lead agencies as defined in subdivision 10, paragraph (g), and the Area Agencies on Aging, and is a point of entry to a combination of telephone-based long-term care options counseling provided by Senior LinkAge Line and in-person long-term care consultation provided by lead agencies. The point of entry service must be provided within five working days of the request of the prospective resident as follows. Counseling must be delivered by Senior LinkAge Line either by telephone or in-person. Counseling must:~~

~~(1) the counseling shall be conducted with the prospective resident, or in the alternative, the resident's designated or legal representative, if:~~

~~(i) the resident verbally requests; or~~

~~(ii) the assisted living facility has documentation of the designated or legal representative's authority to enter into a lease or contract on behalf of the prospective resident and accepts the documentation in good faith;~~

~~(2) the counseling shall (1)~~ be performed in a manner that provides objective and complete information;

~~(3) the counseling must (2)~~ include a review of the ~~prospective resident's reasons for considering assisted living services, the prospective resident's~~ person's personal goals, a discussion of the ~~prospective resident's~~ person's immediate and projected long-term care needs, and alternative community services or settings that may meet the ~~prospective resident's~~ person's needs; and

~~(4) the prospective resident must be informed of the availability of an in-person visit from a long-term care consultation team member at no charge to the prospective resident to assist the prospective resident in assessment and planning to meet the prospective resident's long-term care needs; and~~

~~(5) verification of counseling shall be generated and provided to the prospective resident by Senior LinkAge Line upon completion of the telephone-based counseling (3) include the counseling and referral protocols in subdivision 7, paragraph (b), clauses (11) to (13).~~

(c) An assisted living facility licensed under chapter 144G ~~shall:~~

~~(1) must~~ inform each prospective resident or the prospective resident's designated or legal representative of the availability of and contact information for long-term care options counseling services under this subdivision; by providing Senior LinkAge Line information at the facility tour.

~~(2) receive a copy of the verification of counseling prior to executing a contract with the prospective resident; and~~

~~(3) retain a copy of the verification of counseling as part of the resident's file.~~

~~(d) Emergency admissions to licensed assisted living facilities prior to consultation under paragraph (b) are permitted according to policies established by the commissioner. Prior to discharge, hospitals must refer older adults who are at risk of nursing home placement to the Senior LinkAge Line for long-term care options counseling. Hospitals must make these referrals using referral protocols and processes developed under subdivision 7.~~

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 256B.69, is amended by adding a subdivision to read:

Subd. 6h. Continuity of care for seniors receiving personal assistance. (a) If an individual 65 years of age or older is receiving personal assistance from the same agency continuously during the six months prior to being newly enrolled with any managed care or county-based purchasing plan, the managed care plan or county-based purchasing plan with which the individual is newly enrolled must offer the agency a contract for the purposes of allowing the enrollee to receive any personal assistance covered under the terms of the plan from the enrollee's current agency, provided the enrollee continues to live in the service area of the enrollee's current agency.

(b) This subdivision applies only if the enrollee's current agency agrees to accept as payment in full the managed care plan's or county-based purchasing plan's in-network reimbursement rate

for the same covered service at the time the service is provided, and agrees to enter into a managed care plan's or county-based purchasing plan's contract for personal assistance.

(c) For the purposes of this subdivision, "agency" means any of the following:

(1) an agency provider as described in section 256B.85;

(2) a financial management services provider for an enrollee who directly employs direct care staff through the community first services and supports budget model or through the consumer-directed community supports option available under the elderly waiver; or

(3) a personal care assistance provider agency as defined under section 256B.0659, subdivision 1, paragraph (l).

(d) For the purposes of this subdivision, "personal assistance" means any of the following:

(1) community first services and supports, extended community first services and supports, or enhanced rate community first services and supports under section 256B.85;

(2) personal assistance provided through the consumer-directed community supports option available under the elderly waiver; or

(3) personal care assistance services, extended personal care assistance services, or enhanced rate personal care assistance services under section 256B.0659.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 6. Minnesota Statutes 2022, section 256R.08, subdivision 1, is amended to read:

Subdivision 1. **Reporting of financial statements.** (a) No later than February 1 of each year, a nursing facility must:

(1) provide the state agency with a copy of its ~~audited financial statements or its working trial~~ balance;

(2) provide the state agency with a copy of its audited financial statements for each year an audit is conducted;

~~(2)~~ (3) provide the state agency with a statement of ownership for the facility;

~~(3)~~ (4) provide the state agency with separate, audited financial statements ~~of~~ and working trial balances for every other facility owned in whole or in part by an individual or entity that has an ownership interest in the facility;

(5) provide the state agency with information regarding whether the licensee or a general partner, director, or officer of the licensee controls or has an ownership interest of five percent or more in a related organization that provides any services, facilities, or supplies to the nursing facility;

~~(4)~~ (6) upon request, provide the state agency with separate, audited financial statements ~~or~~ and working trial balances for every organization with which the facility conducts business and which is owned in whole or in part by an individual or entity which has an ownership interest in the facility;

~~(5)~~ (7) provide the state agency with copies of leases, purchase agreements, and other documents related to the lease or purchase of the nursing facility; and

~~(6)~~ (8) upon request, provide the state agency with copies of leases, purchase agreements, and other documents related to the acquisition of equipment, goods, and services which are claimed as allowable costs.

(b) If the licensee or the general partner, director, or officer of the licensee controls or has an interest as described in paragraph (a), clause (5), the licensee must disclose all services, facilities, or supplies provided to the nursing facility; the number of individuals who provide services, facilities, or supplies at the nursing facility; and any other information requested by the state agency.

~~(b)~~ (c) Audited financial statements submitted under ~~paragraph~~ paragraphs (a) and (b) must include a balance sheet, income statement, statement of the rate or rates charged to private paying residents, statement of retained earnings, statement of cash flows, notes to the financial statements, audited applicable supplemental information, and the public accountant's report. Public accountants must conduct audits in accordance with chapter 326A. The cost of an audit must not be an allowable cost unless the nursing facility submits its audited financial statements in the manner otherwise specified in this subdivision. A nursing facility must permit access by the state agency to the public accountant's audit work papers that support the audited financial statements submitted under ~~paragraph~~ paragraphs (a) and (b).

~~(e)~~ (d) Documents or information provided to the state agency pursuant to this subdivision must be public unless prohibited by the Health Insurance Portability and Accountability Act or any other federal or state regulation. Data, notes, and preliminary drafts of reports created, collected, and maintained by the audit offices of government entities, or persons performing audits for government entities, and relating to an audit or investigation are confidential data on individuals or protected nonpublic data until the final report has been published or the audit or investigation is no longer being pursued actively, except that the data must be disclosed as required to comply with section 6.67 or 609.456.

~~(d)~~ (e) If the requirements of paragraphs (a) ~~and~~, (b), and (c) are not met, the reimbursement rate may be reduced to 80 percent of the rate in effect on the first day of the fourth calendar month after the close of the reporting period and the reduction must continue until the requirements are met.

(f) Licensees must provide the information required in this section to the commissioner in a manner prescribed by the commissioner.

(g) For purposes of this section, "related organization" and "control" have the meanings given in section 256R.02, subdivision 43.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 256R.08, is amended by adding a subdivision to read:

Subd. 5. **Notice of costs associated with leases, rent, and use of land or other real property by nursing homes.** (a) Nursing homes must annually report to the commissioner, in a manner determined by the commissioner, their cost associated with leases, rent, and use of land or other real property and any other related information requested by the state agency.

(b) A nursing facility that violates this subdivision is subject to the penalties and procedures under section 256R.04, subdivision 7.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 8. Minnesota Statutes 2022, section 256S.205, subdivision 5, is amended to read:

Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized living monthly service rate limits under section 256S.202, subdivision 2, and the component service rates established under section 256S.201, subdivision 4, the commissioner must establish a rate floor equal to \$119 per resident per day for 24-hour customized living services provided to an elderly waiver participant in a designated disproportionate share facility.

(b) The commissioner must apply the rate floor to the services described in paragraph (a) provided during the rate year.

(c) The commissioner must adjust the rate floor by the same amount and at the same time as any adjustment to the 24-hour customized living monthly service rate limits under section 256S.202, subdivision 2.

~~(d) The commissioner shall not implement the rate floor under this section if the customized living rates established under sections 256S.21 to 256S.215 will be implemented at 100 percent on January 1 of the year following an application year.~~

Sec. 9. Minnesota Statutes 2022, section 256S.205, is amended by adding a subdivision to read:

Subd. 7. **Expiration.** This section expires on the first December 31 that occurs at least 23 months following the effective date of the repeal, expiration, or removal of all rate phase-in provisions in section 256S.2101. The commissioner of human services shall inform the revisor of statutes when this section expires.

Sec. 10. Minnesota Statutes 2022, section 325F.722, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Assisted living services" has the meaning given in section 144G.08, subdivision 9.

(c) "Exempt setting" means a setting that in which assisted living services are provided but which is exempted from assisted living facility licensure under section 144G.08, subdivision 7, paragraph (b), clauses (10) to (13).

~~(e)~~ (d) "Resident" means a person residing in an exempt setting.

(e) "Subsidized assisted living contract" means a legal agreement between a resident and an exempt setting for housing and, if applicable, assisted living services.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 11. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 10. **Responsibility for housing and services.** An exempt setting must comply with section 144G.40, subdivision 1.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 12. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 11. **Facility restrictions.** An exempt setting must comply with section 144G.42, subdivision 3, except this subdivision does not apply to an exempt setting owned or operated by a county or other unit of government.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 13. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 12. **Handling residents' finances and property.** An exempt setting must comply with section 144G.42, subdivision 4.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 14. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 13. **Contract requirements.** An exempt setting may not offer or provide housing or assisted living services unless it has executed a written subsidized assisted living contract that complies with section 144G.50, except for:

(1) section 144G.50, subdivision 2, paragraph (b), clause (2);

(2) section 144G.50, subdivision 2, paragraph (c), clause (1); and

(3) section 144G.50, subdivision 4.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 15. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 14. **Contract terminations.** An exempt setting initiating a termination of a subsidized assisted living contract must comply with section 144G.52, and Minnesota Rules, part 4659.0120.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 16. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 15. Nonrenewal of housing. An exempt setting that declines to renew a resident's housing under a subsidized assisted living contract must comply with the provisions of section 144G.53, and Minnesota Rules, part 4659.0200.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 17. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 16. Appeals of contract terminations. A resident has the right to appeal a termination of a subsidized assisted living contract and the provisions of section 144G.54, and Minnesota Rules, part 4659.0210, subparts 1 to 3, apply to the appeal, except:

(1) the resident or an individual acting on the resident's behalf must submit the request for an appeal directly to the Office of Administrative Hearings; and

(2) the administrative law judge shall decide on the appeal and issue an order.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 18. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 17. Coordinated moves. An exempt setting that terminates a subsidized assisted living contract, reduces services to the extent that a resident needs to move or obtain a new service provider, or conducts a planned closure under subdivision 19, must comply with section 144G.55, subdivisions 1 to 3 and 5.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 19. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 18. Transfer of resident within the facility. If an exempt setting seeks to transfer a resident to a different location within the exempt setting, the exempt setting must comply with section 144G.56, subdivisions 2 to 7.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 20. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 19. Planned closure. In the event that an exempt setting elects to voluntarily close the setting, the exempt setting must comply with section 144G.57, subdivisions 1 to 5, and Minnesota Rules, part 4659.0130, subpart 1, items A and B, and subpart 2, items A to D, except:

(1) the exempt setting is not required to notify the commissioner of health of the planned closure, submit a proposed closure plan to the commissioner, or receive approval of a closure plan from the commissioner before closing; and

(2) the exempt setting must personally deliver or mail the notice required under section 144G.57, subdivision 5.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 21. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 20. **Subsidized assisted living bill of rights.** Section 144G.91 applies to residents of exempt settings.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 22. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 21. **Retaliation prohibited.** An exempt setting must comply with section 144G.92.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 23. Minnesota Statutes 2022, section 325F.722, is amended by adding a subdivision to read:

Subd. 22. **Notice of legal and advocacy services.** An exempt setting must comply with section 144G.93.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 24. Minnesota Statutes 2022, section 462A.222, is amended by adding a subdivision to read:

Subd. 5. **Limitation on rental increases.** This subdivision applies to any project that is restricted to seniors, as defined by section 462A.37, subdivision 1, paragraph (h), and that receives low-income housing tax credits provided under section 42 of the Internal Revenue Code of 1986, as amended. The rent in any rent-restricted unit in a project may not increase in any 12-month period by a percentage more than the greater of:

(1) the percentage that benefit amounts for Social Security or Supplemental Security Income recipients were increased pursuant to United States Code, title 42, sections 415(i) and 1382f, in the preceding 12-month period, minus one percent; or

(2) zero percent.

Sec. 25. **REPEALER.**

(a) Minnesota Statutes 2022, section 256.975, subdivisions 7f and 7g, are repealed.

(b) Minnesota Statutes 2022, section 325F.722, subdivisions 2, 3, and 9, are repealed.

(c) Minnesota Statutes 2022, section 256R.18, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective August 1, 2024. Paragraph (b) is effective January 1, 2025. Paragraph (c) is effective July 1, 2024.

ARTICLE 4

SUBSTANCE USE DISORDER SERVICES

Section 1. Minnesota Statutes 2022, section 148F.025, subdivision 2, is amended to read:

Subd. 2. **Education requirements for licensure.** An applicant for licensure must submit evidence satisfactory to the board that the applicant has:

(1) received a bachelor's or master's degree from an accredited school or educational program; and

(2) received 18 semester credits or 270 clock hours of academic course work and 880 clock hours of supervised alcohol and drug counseling practicum from an accredited school or education program. The course work and practicum do not have to be part of the bachelor's degree earned under clause (1). The academic course work must be in the following areas:

(i) an overview of the transdisciplinary foundations of alcohol and drug counseling, including theories of chemical dependency, the continuum of care, and the process of change;

(ii) pharmacology of substance abuse disorders and the dynamics of addiction, including substance use disorder treatment with medications for opioid use disorder;

(iii) professional and ethical responsibilities;

(iv) multicultural aspects of chemical dependency;

(v) co-occurring disorders; and

(vi) the core functions defined in section 148F.01, subdivision 10.

Sec. 2. Minnesota Statutes 2022, section 245F.02, subdivision 17, is amended to read:

Subd. 17. **Peer recovery support services.** "Peer recovery support services" means ~~mentoring and education, advocacy, and nonclinical recovery support provided by a recovery peer~~ services provided according to section 245F.08, subdivision 3.

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

Sec. 3. Minnesota Statutes 2022, section 245F.02, subdivision 21, is amended to read:

Subd. 21. **Recovery peer.** "Recovery peer" means a person who has progressed in the person's own recovery from substance use disorder and is willing to serve as a peer to assist others in their recovery and is qualified according to section 245F.15, subdivision 7.

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

Sec. 4. Minnesota Statutes 2022, section 245F.08, subdivision 3, is amended to read:

Subd. 3. **Peer recovery support services.** ~~(a) Peers in recovery serve as mentors or recovery support partners for individuals in recovery, and may provide encouragement, self-disclosure of recovery experiences, transportation to appointments, assistance with finding resources that will help locate housing, job search resources, and assistance finding and participating in support groups.~~

~~(b) Peer recovery support services are provided by a recovery peer and must be supervised by the responsible staff person.~~

Peer recovery support services must meet the requirements in section 245G.07, subdivision 2, clause (8), and must be provided by a person who is qualified according to the requirements in section 245F.15, subdivision 7.

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

Sec. 5. Minnesota Statutes 2022, section 245F.15, subdivision 7, is amended to read:

Subd. 7. **Recovery peer qualifications.** Recovery peers must:

~~(1) be at least 21 years of age and have a high school diploma or its equivalent;~~

~~(2) have a minimum of one year in recovery from substance use disorder;~~

~~(3) have completed a curriculum designated by the commissioner that teaches specific skills and training in the domains of ethics and boundaries, advocacy, mentoring and education, and recovery and wellness support; and~~

~~(4) receive supervision in areas specific to the domains of their role by qualified supervisory staff.~~

(1) meet the qualifications in section 245I.04, subdivision 18; and

(2) provide services according to the scope of practice established in section 245I.04, subdivision 19, under the supervision of an alcohol and drug counselor.

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

Sec. 6. Minnesota Statutes 2022, section 245G.01, is amended by adding a subdivision to read:

Subd. 8a. **Clinical trainee.** "Clinical trainee" means a staff person who is qualified according to section 245I.04, subdivision 6, and who is working under the supervision of a mental health professional.

Sec. 7. Minnesota Statutes 2022, section 245G.01, subdivision 13b, is amended to read:

Subd. 13b. **Guest speaker.** "Guest speaker" means an individual who is not ~~an alcohol and drug counselor qualified according to section 245G.11, subdivision 5~~ a qualified professional; is not qualified according to the commissioner's list of professionals under section 245G.07, subdivision

3; and who works under the direct observation of ~~an alcohol and drug counselor~~ a qualified professional to present to clients on topics in which the guest speaker has expertise and that the license holder has determined to be beneficial to a client's recovery. Tribally licensed programs have autonomy to identify the qualifications of their guest speakers.

Sec. 8. Minnesota Statutes 2022, section 245G.01, is amended by adding a subdivision to read:

Subd. 17a. **Mental health professional.** "Mental health professional" means a staff person who is qualified under section 245I.04, subdivision 2.

Sec. 9. Minnesota Statutes 2022, section 245G.01, subdivision 24, is amended to read:

Subd. 24. **Substance use disorder treatment.** "Substance use disorder treatment" means treatment of a substance use disorder, including the process of assessment of a client's needs, development of planned methods, including interventions or services to address a client's needs, provision of services, facilitation of services provided by other service providers, and ongoing reassessment by a qualified ~~professional~~ individual when indicated. The goal of substance use disorder treatment is to assist or support the client's efforts to recover from a substance use disorder.

Sec. 10. Minnesota Statutes 2022, section 245G.01, is amended by adding a subdivision to read:

Subd. 30. **Qualified professional.** "Qualified Professional" means:

(1) a clinical trainee; or

(2) an individual who has a current individual scope of practice and at least 12 hours of training in addiction, co-occurring disorders, or substance use disorder diagnosis and treatment prior to working in any treatment program licensed under this chapter, and is either a licensed alcohol and drug counselor, a mental health professional, or a registered nurse.

Sec. 11. Minnesota Statutes 2022, section 245G.031, subdivision 2, is amended to read:

Subd. 2. **Qualifying accreditation; determination of same and similar standards.** (a) The commissioner must accept a qualifying accreditation from an accrediting body listed in paragraph (c) after determining, in consultation with the accrediting body and license holders, which of the accrediting body's standards ~~that~~ are the same as or similar to the licensing requirements in this chapter. In determining whether standards of an accrediting body are the same as or similar to licensing requirements under this chapter, the commissioner shall give due consideration to the existence of a standard that aligns in whole or in part to a licensing standard.

(b) Upon request by a license holder, the commissioner may allow the accrediting body to monitor for compliance with licensing requirements under this chapter that are determined to be neither the same as nor similar to those of the accrediting body.

(c) For purposes of this section, "accrediting body" means The Joint Commission, the Commission on Accreditation of Rehabilitation Facilities, or the ASAM Level of Care Certification Program.

(d) Qualifying accreditation only applies to the license holder's licensed programs that are included in the accrediting body's survey during each survey period.

Sec. 12. Minnesota Statutes 2022, section 245G.04, is amended by adding a subdivision to read:

Subd. 3. Opioid educational material. (a) If a client is identified as having opioid use issues, the license holder must provide opioid educational material to the client on the day of service initiation. The license holder must use the opioid educational material approved by the commissioner that contains information on:

- (1) risks for opioid use disorder and dependence;
- (2) treatment options, including the use of a medication for opioid use disorder;
- (3) the risk and recognition of opioid overdose; and
- (4) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.

(b) If the client is identified as having opioid use issues at a later date, the required educational material must be provided at that time.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 13. Minnesota Statutes 2023 Supplement, section 245G.05, subdivision 1, is amended to read:

Subdivision 1. **Comprehensive assessment.** A comprehensive assessment of the client's substance use disorder must be administered face-to-face by ~~an alcohol and drug counselor~~ a qualified professional within five calendar days from the day of service initiation for a residential program or by the end of the fifth day on which a treatment service is provided in a nonresidential program. The number of days to complete the comprehensive assessment excludes the day of service initiation. If the comprehensive assessment is not completed within the required time frame, the person-centered reason for the delay and the planned completion date must be documented in the client's file. The comprehensive assessment is complete upon a qualified ~~staff member's~~ professional's dated signature. If the client received a comprehensive assessment that authorized the treatment service, ~~an alcohol and drug counselor~~ a qualified professional may use the comprehensive assessment for requirements of this subdivision but must document a review of the comprehensive assessment and update the comprehensive assessment as clinically necessary to ensure compliance with this subdivision within applicable timelines. ~~An alcohol and drug counselor~~ A qualified professional must sign and date the comprehensive assessment review and update.

Sec. 14. Minnesota Statutes 2023 Supplement, section 245G.05, subdivision 3, is amended to read:

Subd. 3. **Comprehensive assessment requirements.** ~~(a)~~ A comprehensive assessment must meet the requirements under section 245I.10, subdivision 6, paragraphs (b) and (c). It must also include:

- (1) a diagnosis of a substance use disorder or a finding that the client does not meet the criteria for a substance use disorder;
- (2) a determination of whether the individual screens positive for co-occurring mental health disorders using a screening tool approved by the commissioner pursuant to section 245.4863;

(3) a risk rating and summary to support the risk ratings within each of the dimensions listed in section 254B.04, subdivision 4; and

(4) a recommendation for the ASAM level of care identified in section 254B.19, subdivision 1.

~~(b) If the individual is assessed for opioid use disorder, the program must provide educational material to the client within 24 hours of service initiation on:~~

~~(1) risks for opioid use disorder and dependence;~~

~~(2) treatment options, including the use of a medication for opioid use disorder;~~

~~(3) the risk and recognition of opioid overdose; and~~

~~(4) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.~~

~~If the client is identified as having opioid use disorder at a later point, the required educational material must be provided at that point. The license holder must use the educational materials that are approved by the commissioner to comply with this requirement.~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 15. Minnesota Statutes 2023 Supplement, section 245G.06, subdivision 1, is amended to read:

Subdivision 1. **General.** Each client must have a person-centered individual treatment plan developed by ~~an alcohol and drug counselor~~ a qualified professional within ten days from the day of service initiation for a residential program, by the end of the tenth day on which a treatment session has been provided from the day of service initiation for a client in a nonresidential program, not to exceed 30 days. Opioid treatment programs must complete the individual treatment plan within 21 days from the day of service initiation. The number of days to complete the individual treatment plan excludes the day of service initiation. The individual treatment plan must be signed by the client and the ~~alcohol and drug counselor~~ qualified professional and document the client's involvement in the development of the plan. The individual treatment plan is developed upon the ~~qualified staff member's~~ qualified professional's dated signature. Treatment planning must include ongoing assessment of client needs. An individual treatment plan must be updated based on new information gathered about the client's condition, the client's level of participation, and on whether methods identified have the intended effect. A change to the plan must be signed by the client and the ~~alcohol and drug counselor~~ qualified professional. If the client chooses to have family or others involved in treatment services, the client's individual treatment plan must include how the family or others will be involved in the client's treatment. If a client is receiving treatment services or an assessment via telehealth and the ~~alcohol and drug counselor~~ qualified professional documents the reason the client's signature cannot be obtained, the ~~alcohol and drug counselor~~ qualified professional may document the client's verbal approval or electronic written approval of the treatment plan or change to the treatment plan in lieu of the client's signature.

Sec. 16. Minnesota Statutes 2023 Supplement, section 245G.06, subdivision 3, is amended to read:

Subd. 3. **Treatment plan review.** A treatment plan review must be completed by the ~~alcohol and drug counselor~~ qualified professional responsible for the client's treatment plan. The review must indicate the span of time covered by the review and must:

(1) document client goals addressed since the last treatment plan review and whether the identified methods continue to be effective;

(2) document monitoring of any physical and mental health problems and include toxicology results for alcohol and substance use, when available;

(3) document the participation of others involved in the individual's treatment planning, including when services are offered to the client's family or significant others;

(4) if changes to the treatment plan are determined to be necessary, document staff recommendations for changes in the methods identified in the treatment plan and whether the client agrees with the change;

(5) include a review and evaluation of the individual abuse prevention plan according to section 245A.65; and

(6) document any referrals made since the previous treatment plan review.

Sec. 17. Minnesota Statutes 2023 Supplement, section 245G.06, subdivision 3a, is amended to read:

Subd. 3a. **Frequency of treatment plan reviews.** (a) A license holder must ensure that the ~~alcohol and drug counselor~~ qualified professional responsible for a client's treatment plan completes and documents a treatment plan review that meets the requirements of subdivision 3 in each client's file, according to the frequencies required in this subdivision. All ASAM levels referred to in this chapter are those described in section 254B.19, subdivision 1.

(b) For a client receiving residential ASAM level 3.3 or 3.5 high-intensity services or residential hospital-based services, a treatment plan review must be completed once every 14 days.

(c) For a client receiving residential ASAM level 3.1 low-intensity services or any other residential level not listed in paragraph (b), a treatment plan review must be completed once every 30 days.

(d) For a client receiving nonresidential ASAM level 2.5 partial hospitalization services, a treatment plan review must be completed once every 14 days.

(e) For a client receiving nonresidential ASAM level 1.0 outpatient or 2.1 intensive outpatient services or any other nonresidential level not included in paragraph (d), a treatment plan review must be completed once every 30 days.

(f) For a client receiving nonresidential opioid treatment program services according to section 245G.22:

(1) a treatment plan review must be completed weekly for the ten weeks following completion of the treatment plan; and

(2) monthly thereafter.

Treatment plan reviews must be completed more frequently when clinical needs warrant.

(g) Notwithstanding paragraphs (e) and (f), clause (2), for a client in a nonresidential program with a treatment plan that clearly indicates less than five hours of skilled treatment services will be provided to the client each month, a treatment plan review must be completed once every 90 days. Treatment plan reviews must be completed more frequently when clinical needs warrant.

Sec. 18. Minnesota Statutes 2023 Supplement, section 245G.06, subdivision 4, is amended to read:

Subd. 4. **Service discharge summary.** (a) ~~An alcohol and drug counselor~~ A qualified professional must write a service discharge summary for each client. The service discharge summary must be completed within five days of the client's service termination. A copy of the client's service discharge summary must be provided to the client upon the client's request.

(b) The service discharge summary must be recorded in the six dimensions listed in section 254B.04, subdivision 4, and include the following information:

(1) the client's issues, strengths, and needs while participating in treatment, including services provided;

(2) the client's progress toward achieving each goal identified in the individual treatment plan;

(3) a risk rating and description for each of the ASAM six dimensions;

(4) the reasons for and circumstances of service termination. If a program discharges a client at staff request, the reason for discharge and the procedure followed for the decision to discharge must be documented and comply with the requirements in section 245G.14, subdivision 3, clause (3);

(5) the client's living arrangements at service termination;

(6) continuing care recommendations, including transitions between more or less intense services, or more frequent to less frequent services, and referrals made with specific attention to continuity of care for mental health, as needed; and

(7) service termination diagnosis.

Sec. 19. Minnesota Statutes 2023 Supplement, section 245G.07, subdivision 2, is amended to read:

Subd. 2. **Additional treatment service.** A license holder may provide or arrange the following additional treatment service as a part of the client's individual treatment plan:

(1) relationship counseling provided by a qualified ~~professional~~ individual to help the client identify the impact of the client's substance use disorder on others and to help the client and persons in the client's support structure identify and change behaviors that contribute to the client's substance use disorder;

(2) therapeutic recreation to allow the client to participate in recreational activities without the use of mood-altering chemicals and to plan and select leisure activities that do not involve the inappropriate use of chemicals;

(3) stress management and physical well-being to help the client reach and maintain an appropriate level of health, physical fitness, and well-being;

(4) living skills development to help the client learn basic skills necessary for independent living;

(5) employment or educational services to help the client become financially independent;

(6) socialization skills development to help the client live and interact with others in a positive and productive manner;

(7) room, board, and supervision at the treatment site to provide the client with a safe and appropriate environment to gain and practice new skills; and

(8) peer recovery support services provided by an individual in recovery qualified according to section 245I.04, subdivision 18. Peer support services include education; advocacy; mentoring through self-disclosure of personal recovery experiences; attending recovery and other support groups with a client; accompanying the client to appointments that support recovery; assistance accessing resources to obtain housing, employment, education, and advocacy services; and nonclinical recovery support to assist the transition from treatment into the recovery community.

Sec. 20. Minnesota Statutes 2022, section 245G.07, subdivision 3, is amended to read:

Subd. 3. **Counselors Qualified professionals.** All treatment services, except peer recovery support services and treatment coordination, must be provided by ~~an alcohol and drug counselor~~ qualified according to section 245G.11, subdivision 5 a qualified professional, unless the individual providing the service is specifically qualified according to the accepted credential required to provide the service. The commissioner shall maintain a current list of professionals qualified to provide treatment services.

Sec. 21. Minnesota Statutes 2022, section 245G.07, subdivision 3a, is amended to read:

Subd. 3a. **Use of guest speakers.** (a) The license holder may allow a guest speaker to present information to clients as part of a treatment service provided by ~~an alcohol and drug counselor~~ a qualified professional, according to the requirements of this subdivision.

(b) ~~An alcohol and drug counselor~~ A qualified professional must visually observe and listen to the presentation of information by a guest speaker the entire time the guest speaker presents information to the clients. ~~The alcohol and drug counselor~~ qualified professional is responsible for all information the guest speaker presents to the clients.

(c) The presentation of information by a guest speaker constitutes a direct contact service, as defined in section 245C.02, subdivision 11.

(d) The license holder must provide the guest speaker with all training required for staff members. If the guest speaker provides direct contact services one day a month or less, the license holder must

only provide the guest speaker with orientation training on the following subjects before the guest speaker provides direct contact services:

(1) mandatory reporting of maltreatment, as specified in sections 245A.65, 626.557, and 626.5572 and chapter 260E;

(2) applicable client confidentiality rules and regulations;

(3) ethical standards for client interactions; and

(4) emergency procedures.

Sec. 22. Minnesota Statutes 2023 Supplement, section 245G.09, subdivision 3, is amended to read:

Subd. 3. **Contents.** Client records must contain the following:

(1) documentation that the client was given information on client rights and responsibilities, grievance procedures, tuberculosis, and HIV, and that the client was provided an orientation to the program abuse prevention plan required under section 245A.65, subdivision 2, paragraph (a), clause (4). If the client has an opioid use disorder, the record must contain documentation that the client was provided educational information according to section ~~245G.05~~ 245G.04, subdivision 3; ~~paragraph (b)~~;

(2) an initial services plan completed according to section 245G.04;

(3) a comprehensive assessment completed according to section 245G.05;

(4) an individual abuse prevention plan according to sections 245A.65, subdivision 2, and 626.557, subdivision 14, when applicable;

(5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

(6) documentation of treatment services, significant events, appointments, concerns, and treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

(7) a summary at the time of service termination according to section 245G.06, subdivision 4.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 23. Minnesota Statutes 2022, section 245G.11, subdivision 7, is amended to read:

Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination must be provided by qualified staff. An individual is qualified to provide treatment coordination if the individual meets the qualifications of an alcohol and drug counselor under subdivision 5 or if the individual:

(1) is skilled in the process of identifying and assessing a wide range of client needs;

(2) is knowledgeable about local community resources and how to use those resources for the benefit of the client;

(3) ~~has successfully completed 30 hours of classroom instruction on treatment coordination for an individual with substance use disorder~~ has completed specific training on substance use and co-occurring disorders that is consistent with national evidence-based practices; and

(4) ~~has either~~ meets one of the following criteria:

(i) has a bachelor's degree in one of the behavioral sciences or related fields and at least 1,000 hours of supervised experience working with individuals with substance use disorder; or

(ii) is a mental health practitioner; or

(iii) has a current certification as an alcohol and drug counselor, level I, by the Upper Midwest Indian Council on Addictive Disorders; and.

(5) ~~has at least 2,000 hours of supervised experience working with individuals with substance use disorder.~~

(b) A treatment coordinator must receive at least one hour of supervision regarding individual service delivery from an alcohol and drug counselor, or a mental health professional who has substance use treatment and assessments within the scope of their practice, on a monthly basis.

Sec. 24. Minnesota Statutes 2023 Supplement, section 245G.11, subdivision 10, is amended to read:

Subd. 10. **Student interns and former students.** (a) A qualified staff member must supervise and be responsible for a treatment service performed by a student intern and must review and sign each assessment, individual treatment plan, and treatment plan review prepared by a student intern.

(b) An alcohol and drug counselor must supervise and be responsible for a treatment service performed by a former student and must review and sign each assessment, individual treatment plan, and treatment plan review prepared by the former student.

(c) A student intern or former student must receive the orientation and training required in section 245G.13, subdivisions 1, clause (7), and 2. No more than 50 percent of the treatment staff may be ~~students, student interns or former students, or licensing candidates~~ with time documented to be directly related to the provision of treatment services for which the staff are authorized.

Sec. 25. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Diversion" means the use of a medication for the treatment of opioid addiction being diverted from intended use of the medication.

(c) "Guest dose" means administration of a medication used for the treatment of opioid addiction to a person who is not a client of the program that is administering or dispensing the medication.

(d) "Medical director" means a practitioner licensed to practice medicine in the jurisdiction that the opioid treatment program is located who assumes responsibility for administering all medical services performed by the program, either by performing the services directly or by delegating specific responsibility to a practitioner of the opioid treatment program.

(e) "Medication used for the treatment of opioid use disorder" means a medication approved by the Food and Drug Administration for the treatment of opioid use disorder.

(f) "Minnesota health care programs" has the meaning given in section 256B.0636.

(g) "Opioid treatment program" has the meaning given in Code of Federal Regulations, title 42, section 8.12, and includes programs licensed under this chapter.

(h) "Practitioner" means a staff member holding a current, unrestricted license to practice medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing and is currently registered with the Drug Enforcement Administration to order or dispense controlled substances in Schedules II to V under the Controlled Substances Act, United States Code, title 21, part B, section 821. ~~Practitioner includes an advanced practice registered nurse and physician assistant if the staff member receives a variance by the state opioid treatment authority under section 254A.03 and the federal Substance Abuse and Mental Health Services Administration.~~

(i) "Unsupervised use" means the use of a medication for the treatment of opioid use disorder dispensed for use by a client outside of the program setting.

Sec. 26. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

Subd. 6. Criteria for unsupervised use. (a) To limit the potential for diversion of medication used for the treatment of opioid use disorder to the illicit market, medication dispensed to a client for unsupervised use shall be subject to the requirements of this subdivision. Any client in an opioid treatment program may receive ~~a single unsupervised use dose for a day that the clinic is closed for business, including Sundays and state and federal holidays~~ individualized unsupervised use doses as ordered for days that the clinic is closed for business, including one weekend day and state and federal holidays, no matter the client's length of time in treatment, as allowed under Code of Federal Regulations, title 42, section 8.12(i)(1).

(b) For unsupervised use doses beyond those allowed in paragraph (a), a practitioner with authority to prescribe must review and document the criteria in this paragraph and paragraph (c) Code of Federal Regulations, title 42, section 8.12(i)(2), when determining whether dispensing medication for a client's unsupervised use is safe and when it is appropriate to implement, increase, or extend the amount of time between visits to the program. The criteria are:

~~(1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics, and alcohol;~~

~~(2) regularity of program attendance;~~

~~(3) absence of serious behavioral problems at the program;~~

~~(4) absence of known recent criminal activity such as drug dealing;~~

- ~~(5) stability of the client's home environment and social relationships;~~
- ~~(6) length of time in comprehensive maintenance treatment;~~
- ~~(7) reasonable assurance that unsupervised use medication will be safely stored within the client's home; and~~
- ~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency of program attendance outweighs the potential risks of diversion or unsupervised use.~~

(c) The determination, including the basis of the determination must be documented in the client's medical record.

Sec. 27. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended to read:

Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the policies and procedures required in this subdivision.

(b) For a program that is not open every day of the year, the license holder must maintain a policy and procedure that covers requirements under section 245G.22, ~~subdivisions 6 and 7~~ subdivision 6. Unsupervised use of medication used for the treatment of opioid use disorder for days that the program is closed for business, including ~~but not limited to Sundays~~ one weekend day and state and federal holidays, must meet the requirements under section 245G.22, ~~subdivisions 6 and 7~~ subdivision 6.

(c) The license holder must maintain a policy and procedure that includes specific measures to reduce the possibility of diversion. The policy and procedure must:

(1) specifically identify and define the responsibilities of the medical and administrative staff for performing diversion control measures; and

(2) include a process for contacting no less than five percent of clients who have unsupervised use of medication, excluding clients approved solely under subdivision 6, paragraph (a), to require clients to physically return to the program each month. The system must require clients to return to the program within a stipulated time frame and turn in all unused medication containers related to opioid use disorder treatment. The license holder must document all related contacts on a central log and the outcome of the contact for each client in the client's record. The medical director must be informed of each outcome that results in a situation in which a possible diversion issue was identified.

(d) Medication used for the treatment of opioid use disorder must be ordered, administered, and dispensed according to applicable state and federal regulations and the standards set by applicable accreditation entities. If a medication order requires assessment by the person administering or dispensing the medication to determine the amount to be administered or dispensed, the assessment must be completed by an individual whose professional scope of practice permits an assessment. For the purposes of enforcement of this paragraph, the commissioner has the authority to monitor the person administering or dispensing the medication for compliance with state and federal regulations and the relevant standards of the license holder's accreditation agency and may issue

licensing actions according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's determination of noncompliance.

~~(e) A counselor in an opioid treatment program must not supervise more than 50 clients.~~

~~(f) Notwithstanding paragraph (e), From July 1, 2023, to June 30, 2024, a counselor in an opioid treatment program may supervise up to 60 clients. The license holder may continue to serve a client who was receiving services at the program on June 30, 2024, at a counselor to client ratio of up to one to 60 and is not required to discharge any clients in order to return to the counselor to client ratio of one to 50. The license holder may not, however, serve a new client after June 30, 2024, unless the counselor who would supervise the new client is supervising fewer than 50 existing clients.~~

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 28. Minnesota Statutes 2023 Supplement, section 254A.19, subdivision 3, is amended to read:

Subd. 3. **Comprehensive assessments.** (a) An eligible vendor under section 254B.05 conducting a comprehensive assessment for an individual seeking treatment shall ~~approve~~ recommend the nature, intensity level, and duration of treatment service if a need for services is indicated, but the individual assessed can access any enrolled provider that is licensed to provide the level of service authorized, including the provider or program that completed the assessment. If an individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations.

(b) When a comprehensive assessment is completed while the individual is in a substance use disorder treatment program, the comprehensive assessment must meet the requirements of section 245G.05.

(c) When a comprehensive assessment is completed for purposes of payment under section 254B.05, subdivision 1, paragraphs (b), (c), or (h), or if the assessment is completed prior to service initiation by a licensed substance use disorder treatment program licensed under chapter 245G or applicable Tribal license, the assessor must:

(1) include all components under section 245G.05, subdivision 3;

(2) provide the assessment within five days of request or refer the individual to other locations where they may access this service sooner;

(3) provide information on payment options for substance use disorder services when the individual is uninsured or underinsured;

(4) provide the individual with a notice of privacy practices;

(5) provide a copy of the completed comprehensive assessment, upon request;

(6) provide resources and contact information for the level of care being recommended; and

(7) provide an individual diagnosed with an opioid use disorder with educational material approved by the commissioner that contains information on:

- (i) risks for opioid use disorder and opioid dependence;
- (ii) treatment options, including the use of a medication for opioid use disorder;
- (iii) the risk and recognition of opioid overdose; and
- (iv) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.

Sec. 29. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 6, is amended to read:

Subd. 6. **Local agency to determine client financial eligibility.** (a) The local agency shall determine a client's financial eligibility for the behavioral health fund according to section 254B.04, subdivision 1a, with the income calculated prospectively for one year from the date of ~~comprehensive assessment request~~. The local agency shall pay for eligible clients according to chapter 256G. ~~The local agency shall enter the financial eligibility span within ten calendar days of request.~~ Client eligibility must be determined using only forms prescribed by the ~~department~~ commissioner unless the local agency has a reasonable basis for believing that the information submitted on a form is false. To determine a client's eligibility, the local agency must determine the client's income, the size of the client's household, the availability of a third-party payment source, and a responsible relative's ability to pay for the client's substance use disorder treatment.

(b) A client who is a minor child must not be deemed to have income available to pay for substance use disorder treatment, unless the minor child is responsible for payment under section 144.347 for substance use disorder treatment services sought under section 144.343, subdivision 1.

(c) The local agency must determine the client's household size as follows:

(1) if the client is a minor child, the household size includes the following persons living in the same dwelling unit:

- (i) the client;
- (ii) the client's birth or adoptive parents; and
- (iii) the client's siblings who are minors; and

(2) if the client is an adult, the household size includes the following persons living in the same dwelling unit:

- (i) the client;
- (ii) the client's spouse;
- (iii) the client's minor children; and
- (iv) the client's spouse's minor children.

For purposes of this paragraph, household size includes a person listed in clauses (1) and (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing to the cost of care of the person in out-of-home placement.

(d) The local agency must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of co-payment.

(e) The local agency must provide the required eligibility information to the department in the manner specified by the department.

(f) The local agency shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

(g) The local agency must redetermine a client's eligibility for the behavioral health fund every 12 months.

(h) A client, responsible relative, and policyholder must provide income or wage verification, household size verification, and must make an assignment of third-party payment rights under paragraph (f). If a client, responsible relative, or policyholder does not comply with the provisions of this subdivision, the client is ineligible for behavioral health fund payment for substance use disorder treatment, and the client and responsible relative must be obligated to pay for the full cost of substance use disorder treatment services provided to the client.

Sec. 30. Minnesota Statutes 2023 Supplement, section 254B.04, is amended by adding a subdivision to read:

Subd. 6a. **Span of eligibility.** The local agency must enter the financial eligibility span within five business days of a request. If the comprehensive assessment is completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date services were initiated. If the comprehensive assessment is not completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date the comprehensive assessment was completed.

Sec. 31. Minnesota Statutes 2023 Supplement, section 254B.05, subdivision 1, is amended to read:

Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the commissioner are eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245A.03. American Indian programs that provide substance use disorder treatment, extended care, transitional residence, or outpatient treatment services, and are licensed by Tribal government are eligible vendors.

(b) A licensed professional in private practice as defined in section 245G.01, subdivision 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible vendor of a comprehensive assessment and assessment summary provided according to section 245G.05, and treatment services provided according to sections 245G.06 and 245G.07, subdivision 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).

(c) A county is an eligible vendor for a comprehensive assessment and assessment summary when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5, and completed according to the requirements of section 245G.05. A county is an eligible vendor of care coordination services when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided according to the requirements of section 245G.07, subdivision 1, paragraph (a), clause (5). A county is an eligible vendor of peer recovery services when the services are provided by an individual who meets the requirements of section 245G.11, subdivision 8.

(d) A recovery community organization that meets the requirements of clauses (1) to (10) and meets ~~membership certification~~ or accreditation requirements of the ~~Association of Recovery Community Organizations~~, Alliance for Recovery Centered Organizations, the Council on Accreditation of Peer Recovery Support Services, or a Minnesota statewide recovery community organization identified by the commissioner is an eligible vendor of peer support services. Eligible vendors under this paragraph must:

(1) be nonprofit organizations;

(2) be led and governed by individuals in the recovery community, with more than 50 percent of the board of directors or advisory board members self-identifying as people in personal recovery from substance use disorders;

(3) primarily focus on recovery from substance use disorders, with missions and visions that support this primary focus;

(4) be grassroots and reflective of and engaged with the community served;

(5) be accountable to the recovery community through processes that promote the involvement and engagement of, and consultation with, people in recovery and their families, friends, and recovery allies;

(6) provide nonclinical peer recovery support services, including but not limited to recovery support groups, recovery coaching, telephone recovery support, skill-building groups, and harm-reduction activities;

(7) allow for and support opportunities for all paths toward recovery and refrain from excluding anyone based on their chosen recovery path, which may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based paths;

(8) be purposeful in meeting the diverse needs of Black, Indigenous, and people of color communities, including board and staff development activities, organizational practices, service offerings, advocacy efforts, and culturally informed outreach and service plans;

(9) be stewards of recovery-friendly language that is supportive of and promotes recovery across diverse geographical and cultural contexts and reduces stigma; and

(10) maintain an employee and volunteer code of ethics and easily accessible grievance procedures posted in physical spaces, on websites, or on program policies or forms.

(e) Recovery community organizations approved by the commissioner before June 30, 2023, shall retain their designation as recovery community organizations.

(f) A recovery community organization that is aggrieved by an accreditation or membership determination and believes it meets the requirements under paragraph (d) may appeal the determination under section 256.045, subdivision 3, paragraph (a), clause (15), for reconsideration as an eligible vendor.

(g) All recovery community organizations must be certified or accredited by an entity listed in paragraph (d) by January 1, 2025.

~~(g)~~ (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or nonresidential substance use disorder treatment or withdrawal management program by the commissioner or by Tribal government or do not meet the requirements of subdivisions 1a and 1b are not eligible vendors.

~~(h)~~ (i) Hospitals, federally qualified health centers, and rural health clinics are eligible vendors of a comprehensive assessment when the comprehensive assessment is completed according to section 245G.05 and by an individual who meets the criteria of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol and drug counselor must be individually enrolled with the commissioner and reported on the claim as the individual who provided the service.

Sec. 32. Minnesota Statutes 2023 Supplement, section 254B.05, subdivision 5, is amended to read:

Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance use disorder services and service enhancements funded under this chapter.

(b) Eligible substance use disorder treatment services include:

(1) those licensed, as applicable, according to chapter 245G or applicable Tribal license and provided according to the following ASAM levels of care:

(i) ASAM level 0.5 early intervention services provided according to section 254B.19, subdivision 1, clause (1);

(ii) ASAM level 1.0 outpatient services provided according to section 254B.19, subdivision 1, clause (2);

(iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19, subdivision 1, clause (3);

(iv) ASAM level 2.5 partial hospitalization services provided according to section 254B.19, subdivision 1, clause (4);

(v) ASAM level 3.1 clinically managed low-intensity residential services provided according to section 254B.19, subdivision 1, clause (5), at a base payment rate of \$166.13 per day;

(vi) ASAM level 3.3 clinically managed population-specific high-intensity residential services provided according to section 254B.19, subdivision 1, clause (6), at a base payment rate of \$224.06 per day; and

(vii) ASAM level 3.5 clinically managed high-intensity residential services provided according to section 254B.19, subdivision 1, clause (7), at a base payment rate of \$224.06 per day;

(2) comprehensive assessments provided according to ~~sections 245.4863, paragraph (a), and 245G.05~~ section 254A.19, subdivision 3;

(3) treatment coordination services provided according to section 245G.07, subdivision 1, paragraph (a), clause (5);

(4) peer recovery support services provided according to section 245G.07, subdivision 2, clause (8);

(5) withdrawal management services provided according to chapter 245F;

(6) hospital-based treatment services that are licensed according to sections 245G.01 to 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to 144.56;

(7) substance use disorder treatment services with medications for opioid use disorder provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17 and 245G.22, or under an applicable Tribal license;

~~(7)~~ (8) adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18 or as residential treatment programs according to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or applicable Tribal license;

~~(8)~~ (9) ASAM 3.5 clinically managed high-intensity residential services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7), and are provided by a state-operated vendor or to clients who have been civilly committed to the commissioner, present the most complex and difficult care needs, and are a potential threat to the community; and

~~(9)~~ (10) room and board facilities that meet the requirements of subdivision 1a.

(c) The commissioner shall establish higher rates for programs that meet the requirements of paragraph (b) and one of the following additional requirements:

(1) programs that serve parents with their children if the program:

(i) provides on-site child care during the hours of treatment activity that:

(A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter 9503;
or

(B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

(ii) arranges for off-site child care during hours of treatment activity at a facility that is licensed under chapter 245A as:

(A) a child care center under Minnesota Rules, chapter 9503; or

(B) a family child care home under Minnesota Rules, chapter 9502;

(2) culturally specific or culturally responsive programs as defined in section 254B.01, subdivision 4a;

(3) disability responsive programs as defined in section 254B.01, subdivision 4b;

(4) programs that offer medical services delivered by appropriately credentialed health care staff in an amount equal to two hours per client per week if the medical needs of the client and the nature and provision of any medical services provided are documented in the client file; or

(5) programs that offer services to individuals with co-occurring mental health and substance use disorder problems if:

(i) the program meets the co-occurring requirements in section 245G.20;

(ii) 25 percent of the counseling staff are licensed mental health professionals under section 245I.04, subdivision 2, or are students or licensing candidates under the supervision of a licensed alcohol and drug counselor supervisor and mental health professional under section 245I.04, subdivision 2, except that no more than 50 percent of the mental health staff may be students or licensing candidates with time documented to be directly related to provisions of co-occurring services;

(iii) clients scoring positive on a standardized mental health screen receive a mental health diagnostic assessment within ten days of admission;

(iv) the program has standards for multidisciplinary case review that include a monthly review for each client that, at a minimum, includes a licensed mental health professional and licensed alcohol and drug counselor, and their involvement in the review is documented;

(v) family education is offered that addresses mental health and substance use disorder and the interaction between the two; and

(vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder training annually.

(d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program that provides arrangements for off-site child care must maintain current documentation at the substance use disorder facility of the child care provider's current licensure to provide child care services.

(e) Adolescent residential programs that meet the requirements of Minnesota Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements in paragraph (c), clause (4), items (i) to (iv).

(f) Subject to federal approval, substance use disorder services that are otherwise covered as direct face-to-face services may be provided via telehealth as defined in section 256B.0625, subdivision 3b. The use of telehealth to deliver services must be medically appropriate to the condition and needs of the person being served. Reimbursement shall be at the same rates and under the same conditions that would otherwise apply to direct face-to-face services.

(g) For the purpose of reimbursement under this section, substance use disorder treatment services provided in a group setting without a group participant maximum or maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one. At least one of the attending staff must meet the qualifications as established under this chapter for the type of treatment service provided. A recovery peer may not be included as part of the staff ratio.

(h) Payment for outpatient substance use disorder services that are licensed according to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless prior authorization of a greater number of hours is obtained from the commissioner.

(i) Payment for substance use disorder services under this section must start from the day of service initiation, when the comprehensive assessment is completed within the required timelines.

EFFECTIVE DATE. This section is effective August 1, 2024, except the amendments to paragraph (b), clause (1), items (v) to (vii), are effective August 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall inform the revisor of statutes when federal approval is obtained.

Sec. 33. Minnesota Statutes 2023 Supplement, section 254B.181, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** All sober homes must comply with applicable state laws and regulations and local ordinances related to maximum occupancy, fire safety, and sanitation. In addition, all sober homes must:

(1) maintain a supply of an opiate antagonist in the home in a conspicuous location and post information on proper use;

(2) have written policies regarding access to all prescribed medications;

(3) have written policies regarding evictions;

(4) return all property and medications to a person discharged from the home and retain the items for a minimum of 60 days if the person did not collect them upon discharge. The owner must make an effort to contact persons listed as emergency contacts for the discharged person so that the items are returned;

(5) document the names and contact information for persons to contact in case of an emergency or upon discharge and notification of a family member, or other emergency contact designated by the resident under certain circumstances, including but not limited to death due to an overdose;

(6) maintain contact information for emergency resources in the community to address mental health and health emergencies;

(7) have policies on staff qualifications and prohibition against fraternization;

(8) ~~have a policy on whether the use of medications for opioid use disorder is permissible~~ permit residents to use, as directed by a licensed prescriber, legally prescribed and dispensed or administered pharmacotherapies approved by the United States Food and Drug Administration for the treatment of opioid use disorder and other medications approved by the United States Food and Drug Administration to treat co-occurring substance use disorders and mental health conditions;

(9) have a fee schedule and refund policy;

(10) have rules for residents;

(11) have policies that promote resident participation in treatment, self-help groups, or other recovery supports;

(12) have policies requiring abstinence from alcohol and illicit drugs; and

(13) distribute the sober home bill of rights.

Sec. 34. Minnesota Statutes 2023 Supplement, section 254B.19, subdivision 1, is amended to read:

Subdivision 1. **Level of care requirements.** For each client assigned an ASAM level of care, eligible vendors must implement the standards set by the ASAM for the respective level of care. Additionally, vendors must meet the following requirements:

(1) For ASAM level 0.5 early intervention targeting individuals who are at risk of developing a substance-related problem but may not have a diagnosed substance use disorder, early intervention services may include individual or group counseling, treatment coordination, peer recovery support, screening brief intervention, and referral to treatment provided according to section 254A.03, subdivision 3, paragraph (c).

(2) For ASAM level 1.0 outpatient clients, adults must receive up to eight hours per week of skilled treatment services and adolescents must receive up to five hours per week. Services must be licensed according to section 245G.20 and meet requirements under section 256B.0759. Peer recovery and treatment coordination may be provided beyond the hourly skilled treatment service hours allowable per week.

(3) For ASAM level 2.1 intensive outpatient clients, adults must receive nine to 19 hours per week of skilled treatment services and adolescents must receive six or more hours per week. Vendors must be licensed according to section 245G.20 and must meet requirements under section 256B.0759. Peer recovery services and treatment coordination may be provided beyond the hourly skilled treatment service hours allowable per week. If clinically indicated on the client's treatment plan, this service may be provided in conjunction with room and board according to section 254B.05, subdivision 1a.

(4) For ASAM level 2.5 partial hospitalization clients, adults must receive 20 hours or more of skilled treatment services. Services must be licensed according to section 245G.20 and must meet requirements under section 256B.0759. Level 2.5 is for clients who need daily monitoring in a

structured setting, as directed by the individual treatment plan and in accordance with the limitations in section 254B.05, subdivision 5, paragraph (h). If clinically indicated on the client's treatment plan, this service may be provided in conjunction with room and board according to section 254B.05, subdivision 1a.

(5) For ASAM level 3.1 clinically managed low-intensity residential clients, programs must provide ~~at least 5~~ between nine and 19 hours of skilled treatment services per week according to each client's specific treatment schedule, as directed by the individual treatment plan. Programs must be licensed according to section 245G.20 and must meet requirements under section 256B.0759.

(6) For ASAM level 3.3 clinically managed population-specific high-intensity residential clients, programs must be licensed according to section 245G.20 and must meet requirements under section 256B.0759. Programs must have 24-hour staffing coverage. Programs must be enrolled as a disability responsive program as described in section 254B.01, subdivision 4b, and must specialize in serving persons with a traumatic brain injury or a cognitive impairment so significant, and the resulting level of impairment so great, that outpatient or other levels of residential care would not be feasible or effective. Programs must provide; ~~at a minimum, daily skilled treatment services seven days a~~ 20 or more hours of skilled treatment services per week according to each client's specific treatment schedule, as directed by the individual treatment plan.

(7) For ASAM level 3.5 clinically managed high-intensity residential clients, services must be licensed according to section 245G.20 and must meet requirements under section 256B.0759. Programs must have 24-hour staffing coverage and provide; ~~at a minimum, daily skilled treatment services seven days a~~ 20 or more hours of skilled treatment services per week according to each client's specific treatment schedule, as directed by the individual treatment plan.

(8) For ASAM level withdrawal management 3.2 clinically managed clients, withdrawal management must be provided according to chapter 245F.

(9) For ASAM level withdrawal management 3.7 medically monitored clients, withdrawal management must be provided according to chapter 245F.

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval has been obtained.

Sec. 35. Minnesota Statutes 2023 Supplement, section 256B.0759, subdivision 2, is amended to read:

Subd. 2. **Provider participation.** (a) Programs licensed by the Department of Human Services as nonresidential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2025. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(b) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(c) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter ~~and~~² are licensed as a hospital under sections 144.50 to 144.581 ~~must~~², and provide only ASAM 3.7 medically monitored inpatient level of care are not required to enroll as demonstration project providers ~~and meet the requirements of subdivision 3 by January 1, 2025~~². Programs meeting these criteria must submit evidence of providing the required level of care to the commissioner to be exempt from enrolling in the demonstration.

(d) Programs licensed by the Department of Human Services as withdrawal management programs according to chapter 245F that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(e) Out-of-state residential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(f) Tribally licensed programs may elect to participate in the demonstration project and meet the requirements of subdivision 3. The Department of Human Services must consult with Tribal Nations to discuss participation in the substance use disorder demonstration project.

(g) The commissioner shall allow providers enrolled in the demonstration project before July 1, 2021, to receive applicable rate enhancements authorized under subdivision 4 for all services provided on or after the date of enrollment, except that the commissioner shall allow a provider to receive applicable rate enhancements authorized under subdivision 4 for services provided on or after July 22, 2020, to fee-for-service enrollees, and on or after January 1, 2021, to managed care enrollees, if the provider meets all of the following requirements:

(1) the provider attests that during the time period for which the provider is seeking the rate enhancement, the provider took meaningful steps in their plan approved by the commissioner to meet the demonstration project requirements in subdivision 3; and

(2) the provider submits attestation and evidence, including all information requested by the commissioner, of meeting the requirements of subdivision 3 to the commissioner in a format required by the commissioner.

(h) The commissioner may recoup any rate enhancements paid under paragraph (g) to a provider that does not meet the requirements of subdivision 3 by July 1, 2021.

Sec. 36. Minnesota Statutes 2022, section 256B.0759, subdivision 4, is amended to read:

Subd. 4. Provider payment rates. (a) Payment rates for participating providers must be increased for services provided to medical assistance enrollees. To receive a rate increase, participating providers must meet demonstration project requirements and provide evidence of formal referral arrangements with providers delivering step-up or step-down levels of care. Providers that have enrolled in the demonstration project but have not met the provider standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under this subdivision until the date that the

provider meets the provider standards in subdivision 3. Services provided from July 1, 2022, to the date that the provider meets the provider standards under subdivision 3 shall be reimbursed at rates according to section 254B.05, subdivision 5, paragraph (b). Rate increases paid under this subdivision to a provider for services provided between July 1, 2021, and July 1, 2022, are not subject to recoupment when the provider is taking meaningful steps to meet demonstration project requirements that are not otherwise required by law, and the provider provides documentation to the commissioner, upon request, of the steps being taken.

(b) The commissioner may temporarily suspend payments to the provider according to section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements in paragraph (a). Payments withheld from the provider must be made once the commissioner determines that the requirements in paragraph (a) are met.

~~(e) For substance use disorder services under section 254B.05, subdivision 5, paragraph (b), clause (8), provided on or after July 1, 2020, payment rates must be increased by 25 percent over the rates in effect on December 31, 2019.~~

~~(d)~~ (c) For outpatient individual and group substance use disorder services under section 254B.05, subdivision 5, paragraph (b), ~~clauses clause (1), (6), and (7),~~ and adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on or after January 1, 2021, payment rates must be increased by 20 percent over the rates in effect on December 31, 2020.

~~(e)~~ (d) Effective January 1, 2021, and contingent on annual federal approval, managed care plans and county-based purchasing plans must reimburse providers of the substance use disorder services meeting the criteria described in paragraph (a) who are employed by or under contract with the plan an amount that is at least equal to the fee-for-service base rate payment for the substance use disorder services described in paragraphs (c) and (d). The commissioner must monitor the effect of this requirement on the rate of access to substance use disorder services and residential substance use disorder rates. Capitation rates paid to managed care organizations and county-based purchasing plans must reflect the impact of this requirement. This paragraph expires if federal approval is not received at any time as required under this paragraph.

~~(f)~~ (e) Effective July 1, 2021, contracts between managed care plans and county-based purchasing plans and providers to whom paragraph (e) applies must allow recovery of payments from those providers if, for any contract year, federal approval for the provisions of paragraph (e) is not received, and capitation rates are adjusted as a result. Payment recoveries must not exceed the amount equal to any decrease in rates that results from this provision.

(f) For substance use disorder services with medications for opioid use disorder under section 254B.05, subdivision 5, clause (7), provided on or after January 1, 2021, payment rates must be increased by 20 percent over the rates in effect on December 31, 2020. Upon implementation of new rates according to section 254B.121, the 20 percent increase will no longer apply.

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

Sec. 37. **REPEALER.**

Minnesota Statutes 2022, section 245G.22, subdivisions 4 and 7, are repealed.

ARTICLE 5**DIRECT CARE AND TREATMENT**

Section 1. Minnesota Statutes 2022, section 246.71, subdivision 3, is amended to read:

Subd. 3. **Patient.** "Patient" means any person who is receiving treatment from or committed to a secure state-operated treatment facility program, including the Minnesota Sex Offender Program.

Sec. 2. Minnesota Statutes 2022, section 246.71, subdivision 4, is amended to read:

Subd. 4. **Employee of a secure treatment facility state-operated treatment program or employee.** "Employee of a ~~secure treatment facility~~ state-operated treatment program" or "employee" means an employee of ~~the Minnesota Security Hospital or a secure treatment facility operated by the Minnesota Sex Offender Program~~ any state-operated treatment program.

Sec. 3. Minnesota Statutes 2022, section 246.71, subdivision 5, is amended to read:

Subd. 5. **~~Secure treatment facility~~ State-operated treatment program.** "~~Secure treatment facility~~ State-operated treatment program" means ~~the Minnesota Security Hospital and the Minnesota Sex Offender Program facility in Moose Lake and any portion of the Minnesota Sex Offender Program operated by the Minnesota Sex Offender Program at the Minnesota Security Hospital~~ any state-operated treatment program under the jurisdiction of the executive board, including the Minnesota Sex Offender Program, community behavioral health hospitals, crisis centers, residential facilities, outpatient services, and other community-based services under the executive board's control.

Sec. 4. Minnesota Statutes 2022, section 246.711, is amended to read:

246.711 CONDITIONS FOR APPLICABILITY OF PROCEDURES.

Subdivision 1. **Request for procedures.** An employee of a ~~secure treatment facility~~ state-operated treatment program may request that the procedures of sections 246.71 to 246.722 be followed when the employee may have experienced a significant exposure to a patient.

Subd. 2. **Conditions.** The ~~secure treatment facility~~ state-operated treatment program shall follow the procedures in sections 246.71 to 246.722 when all of the following conditions are met:

(1) a licensed physician, advanced practice registered nurse, or physician assistant determines that a significant exposure has occurred following the protocol under section 246.721;

(2) the licensed physician, advanced practice registered nurse, or physician assistant for the employee needs the patient's blood-borne pathogens test results to begin, continue, modify, or discontinue treatment in accordance with the most current guidelines of the United States Public Health Service, because of possible exposure to a blood-borne pathogen; and

(3) the employee consents to providing a blood sample for testing for a blood-borne pathogen.

Sec. 5. Minnesota Statutes 2022, section 246.712, subdivision 1, is amended to read:

Subdivision 1. **Information to patient.** (a) Before seeking any consent required by the procedures under sections 246.71 to 246.722, a ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the patient's blood-borne pathogen test results, without the patient's name or other uniquely identifying information, shall be reported to the employee if requested and that test results collected under sections 246.71 to 246.722 are for medical purposes as set forth in section 246.718 and may not be used as evidence in any criminal proceedings or civil proceedings, except for procedures under sections 144.4171 to 144.4186.

(b) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient of the insurance protections in section 72A.20, subdivision 29.

(c) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the patient may refuse to provide a blood sample and that the patient's refusal may result in a request for a court order to require the patient to provide a blood sample.

(d) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the ~~secure treatment facility~~ state-operated treatment program will advise the employee of a ~~secure treatment facility~~ state-operated treatment program of the confidentiality requirements and penalties before the employee's health care provider discloses any test results.

Sec. 6. Minnesota Statutes 2022, section 246.712, subdivision 2, is amended to read:

Subd. 2. **Information to ~~secure treatment facility~~ state-operated treatment program employee.** (a) Before disclosing any information about the patient, the ~~secure treatment facility~~ state-operated treatment program shall inform the employee of a ~~secure treatment facility~~ state-operated treatment program of the confidentiality requirements of section 246.719 and that the person may be subject to penalties for unauthorized release of test results about the patient under section 246.72.

(b) The ~~secure treatment facility~~ state-operated treatment program shall inform the employee of the insurance protections in section 72A.20, subdivision 29.

Sec. 7. Minnesota Statutes 2022, section 246.713, is amended to read:

246.713 DISCLOSURE OF POSITIVE BLOOD-BORNE PATHOGEN TEST RESULTS.

If the conditions of sections 246.711 and 246.712 are met, the ~~secure treatment facility~~ state-operated treatment program shall ask the patient if the patient has ever had a positive test for a blood-borne pathogen. The ~~secure treatment facility~~ state-operated treatment program must attempt to get existing test results under this section before taking any steps to obtain a blood sample or to test for blood-borne pathogens. The ~~secure treatment facility~~ state-operated treatment program shall disclose the patient's blood-borne pathogen test results to the employee without the patient's name or other uniquely identifying information.

Sec. 8. Minnesota Statutes 2022, section 246.714, is amended to read:

246.714 CONSENT PROCEDURES GENERALLY.

(a) For purposes of sections 246.71 to 246.722, whenever the ~~secure treatment facility~~ state-operated treatment program is required to seek consent, the ~~secure treatment facility~~ state-operated treatment program shall obtain consent from a patient or a patient's representative consistent with other law applicable to consent.

(b) Consent is not required if the ~~secure treatment facility~~ state-operated treatment program has made reasonable efforts to obtain the representative's consent and consent cannot be obtained within 24 hours of a significant exposure.

(c) If testing of available blood occurs without consent because the patient is unconscious or unable to provide consent, and a representative cannot be located, the ~~secure treatment facility~~ state-operated treatment program shall provide the information required in section 246.712 to the patient or representative whenever it is possible to do so.

(d) If a patient dies before an opportunity to consent to blood collection or testing under sections 246.71 to 246.722, the ~~secure treatment facility~~ state-operated treatment program does not need consent of the patient's representative for purposes of sections 246.71 to 246.722.

Sec. 9. Minnesota Statutes 2022, section 246.715, subdivision 1, is amended to read:

Subdivision 1. **Procedures with consent.** If a sample of the patient's blood is available, the ~~secure treatment facility~~ state-operated treatment program shall ensure that blood is tested for blood-borne pathogens with the consent of the patient, provided the conditions in sections 246.711 and 246.712 are met.

Sec. 10. Minnesota Statutes 2022, section 246.715, subdivision 2, is amended to read:

Subd. 2. **Procedures without consent.** If the patient has provided a blood sample, but does not consent to blood-borne pathogens testing, the ~~secure treatment facility~~ state-operated treatment program shall ensure that the blood is tested for blood-borne pathogens if the employee requests the test, provided all of the following criteria are met:

(1) the employee and ~~secure treatment facility~~ state-operated treatment program have documented exposure to blood or body fluids during performance of the employee's work duties;

(2) a licensed physician, advanced practice registered nurse, or physician assistant has determined that a significant exposure has occurred under section 246.711 and has documented that blood-borne pathogen test results are needed for beginning, modifying, continuing, or discontinuing medical treatment for the employee as recommended by the most current guidelines of the United States Public Health Service;

(3) the employee provides a blood sample for testing for blood-borne pathogens as soon as feasible;

(4) the ~~secure treatment facility~~ state-operated treatment program asks the patient to consent to a test for blood-borne pathogens and the patient does not consent;

(5) the ~~secure treatment facility~~ state-operated treatment program has provided the patient and the employee with all of the information required by section 246.712; and

(6) the ~~secure treatment facility~~ state-operated treatment program has informed the employee of the confidentiality requirements of section 246.719 and the penalties for unauthorized release of patient information under section 246.72.

Sec. 11. Minnesota Statutes 2022, section 246.715, subdivision 3, is amended to read:

Subd. 3. **Follow-up.** The ~~secure treatment facility~~ state-operated treatment program shall inform the patient whose blood was tested of the results. The ~~secure treatment facility~~ state-operated treatment program shall inform the employee's health care provider of the patient's test results without the patient's name or other uniquely identifying information.

Sec. 12. Minnesota Statutes 2022, section 246.716, subdivision 1, is amended to read:

Subdivision 1. **Procedures with consent.** (a) If a blood sample is not otherwise available, the ~~secure treatment facility~~ state-operated treatment program shall obtain consent from the patient before collecting a blood sample for testing for blood-borne pathogens. The consent process shall include informing the patient that the patient may refuse to provide a blood sample and that the patient's refusal may result in a request for a court order under subdivision 2 to require the patient to provide a blood sample.

(b) If the patient consents to provide a blood sample, the ~~secure treatment facility~~ state-operated treatment program shall collect a blood sample and ensure that the sample is tested for blood-borne pathogens.

(c) The ~~secure treatment facility~~ state-operated treatment program shall inform the employee's health care provider about the patient's test results without the patient's name or other uniquely identifying information. The ~~secure treatment facility~~ state-operated treatment program shall inform the patient of the test results.

(d) If the patient refuses to provide a blood sample for testing, the ~~secure treatment facility~~ state-operated treatment program shall inform the employee of the patient's refusal.

Sec. 13. Minnesota Statutes 2022, section 246.716, subdivision 2, is amended to read:

Subd. 2. **Procedures without consent.** (a) A ~~secure treatment facility~~ state-operated treatment program or an employee of a ~~secure treatment facility~~ state-operated treatment program may bring a petition for a court order to require a patient to provide a blood sample for testing for blood-borne pathogens. The petition shall be filed in the district court in the county where the patient is receiving treatment from the ~~secure treatment facility~~ state-operated treatment program. The ~~secure treatment facility~~ state-operated treatment program shall serve the petition on the patient three days before a hearing on the petition. The petition shall include one or more affidavits attesting that:

(1) the ~~secure treatment facility~~ state-operated treatment program followed the procedures in sections 246.71 to 246.722 and attempted to obtain blood-borne pathogen test results according to those sections;

(2) a licensed physician, advanced practice registered nurse, or physician assistant knowledgeable about the most current recommendations of the United States Public Health Service has determined

that a significant exposure has occurred to the employee of a ~~secure treatment facility~~ state-operated treatment program under section 246.721; and

(3) a physician, advanced practice registered nurse, or physician assistant has documented that the employee has provided a blood sample and consented to testing for blood-borne pathogens and blood-borne pathogen test results are needed for beginning, continuing, modifying, or discontinuing medical treatment for the employee under section 246.721.

(b) Facilities shall cooperate with petitioners in providing any necessary affidavits to the extent that facility staff can attest under oath to the facts in the affidavits.

(c) The court may order the patient to provide a blood sample for blood-borne pathogen testing if:

(1) there is probable cause to believe the employee of a ~~secure treatment facility~~ state-operated treatment program has experienced a significant exposure to the patient;

(2) the court imposes appropriate safeguards against unauthorized disclosure that must specify the persons who have access to the test results and the purposes for which the test results may be used;

(3) a licensed physician, advanced practice registered nurse, or physician assistant for the employee of a ~~secure treatment facility~~ state-operated treatment program needs the test results for beginning, continuing, modifying, or discontinuing medical treatment for the employee; and

(4) the court finds a compelling need for the test results. In assessing compelling need, the court shall weigh the need for the court-ordered blood collection and test results against the interests of the patient, including, but not limited to, privacy, health, safety, or economic interests. The court shall also consider whether involuntary blood collection and testing would serve the public interests.

(d) The court shall conduct the proceeding in camera unless the petitioner or the patient requests a hearing in open court and the court determines that a public hearing is necessary to the public interest and the proper administration of justice.

(e) The patient may arrange for counsel in any proceeding brought under this subdivision.

Sec. 14. Minnesota Statutes 2022, section 246.717, is amended to read:

246.717 NO DISCRIMINATION.

A ~~secure treatment facility~~ state-operated treatment program shall not withhold care or treatment on the requirement that the patient consent to blood-borne pathogen testing under sections 246.71 to 246.722.

Sec. 15. Minnesota Statutes 2022, section 246.72, is amended to read:

246.72 PENALTY FOR UNAUTHORIZED RELEASE OF INFORMATION.

Unauthorized release of the patient's name or other uniquely identifying information under sections 246.71 to 246.722 is subject to the remedies and penalties under sections 13.08 and 13.09.

This section does not preclude private causes of action against an individual, state agency, statewide system, political subdivision, or person responsible for releasing private data, or confidential or private information on the ~~inmate~~ patient.

Sec. 16. Minnesota Statutes 2022, section 246.721, is amended to read:

246.721 PROTOCOL FOR EXPOSURE TO BLOOD-BORNE PATHOGENS.

(a) A ~~secure treatment facility~~ state-operated treatment program shall follow applicable Occupational Safety and Health Administration guidelines under Code of Federal Regulations, title 29, part 1910.1030, for blood-borne pathogens.

(b) Every ~~secure treatment facility~~ state-operated treatment program shall adopt and follow a postexposure protocol for employees at a ~~secure treatment facility~~ state-operated treatment program who have experienced a significant exposure. The postexposure protocol must adhere to the most current recommendations of the United States Public Health Service and include, at a minimum, the following:

(1) a process for employees to report an exposure in a timely fashion;

(2) a process for an infectious disease specialist, or a licensed physician, advanced practice registered nurse, or physician assistant who is knowledgeable about the most current recommendations of the United States Public Health Service in consultation with an infectious disease specialist, (i) to determine whether a significant exposure to one or more blood-borne pathogens has occurred, and (ii) to provide, under the direction of a licensed physician, advanced practice registered nurse, or physician assistant, a recommendation or recommendations for follow-up treatment appropriate to the particular blood-borne pathogen or pathogens for which a significant exposure has been determined;

(3) if there has been a significant exposure, a process to determine whether the patient has a blood-borne pathogen through disclosure of test results, or through blood collection and testing as required by sections 246.71 to 246.722;

(4) a process for providing appropriate counseling prior to and following testing for a blood-borne pathogen regarding the likelihood of blood-borne pathogen transmission and follow-up recommendations according to the most current recommendations of the United States Public Health Service, recommendations for testing, and treatment;

(5) a process for providing appropriate counseling under clause (4) to the employee of a ~~secure treatment facility~~ state-operated treatment program and to the patient; and

(6) compliance with applicable state and federal laws relating to data practices, confidentiality, informed consent, and the patient bill of rights.

Sec. 17. Minnesota Statutes 2022, section 246.722, is amended to read:

246.722 IMMUNITY.

A ~~secure treatment facility~~ state-operated treatment program, licensed physician, advanced practice registered nurse, physician assistant, and designated health care personnel are immune from

liability in any civil, administrative, or criminal action relating to the disclosure of test results of a patient to an employee of a ~~secure treatment facility~~ state-operated treatment program and the testing of a blood sample from the patient for blood-borne pathogens if a good faith effort has been made to comply with sections 246.71 to 246.722.

Sec. 18. Laws 2023, chapter 61, article 8, section 13, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The task force shall consist of the following members, appointed as follows:

- (1) a member appointed by the governor;
 - (2) the commissioner of human services, or a designee;
 - (3) a member representing Department of Human Services direct care and treatment services who has experience with civil commitments, appointed by the commissioner of human services;
 - (4) the ombudsman for mental health and developmental disabilities;
 - (5) a hospital representative, appointed by the Minnesota Hospital Association;
 - (6) a county representative, appointed by the Association of Minnesota Counties;
 - (7) a county social services representative, appointed by the Minnesota Association of County Social Service Administrators;
 - (8) a member appointed by the ~~Minnesota Civil Commitment Defense Panel~~ Hennepin County Commitment Defense Project;
 - (9) a county attorney, appointed by the Minnesota County Attorneys Association;
 - (10) a county sheriff, appointed by the Minnesota Sheriffs' Association;
 - (11) a member appointed by the Minnesota Psychiatric Society;
 - (12) a member appointed by the Minnesota Association of Community Mental Health Programs;
 - (13) a member appointed by the National Alliance on Mental Illness Minnesota;
 - (14) the Minnesota Attorney General;
 - (15) three individuals from organizations representing racial and ethnic groups that are overrepresented in the criminal justice system, appointed by the commissioner of corrections; and
 - (16) one member of the public with lived experience directly related to the task force's purposes, appointed by the governor.
- (b) Appointments must be made no later than July 15, 2023.
- (c) Member compensation and reimbursement for expenses are governed by Minnesota Statutes, section 15.059, subdivision 3.

- (d) A member of the legislature may not serve as a member of the task force.

ARTICLE 6

MISCELLANEOUS

Section 1. Minnesota Statutes 2022, section 254A.03, subdivision 1, is amended to read:

Subdivision 1. **Alcohol and Other Drug Abuse Section.** There is hereby created an Alcohol and Other Drug Abuse Section in the Department of Human Services. This section shall be headed by a director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. The section shall:

(1) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and recovery of persons with substance misuse and substance use disorder;

(2) coordinate and review all activities and programs of all the various state departments as they relate to problems associated with substance misuse and substance use disorder;

(3) develop, demonstrate, and disseminate new methods and techniques for prevention, early intervention, treatment and recovery support for substance misuse and substance use disorder;

(4) gather facts and information about substance misuse and substance use disorder, and about the efficiency and effectiveness of prevention, treatment, and recovery support services from all comprehensive programs, including programs approved or licensed by the commissioner of human services or the commissioner of health or accredited by the Joint Commission on Accreditation of Hospitals. The state authority is authorized to require information from comprehensive programs which is reasonable and necessary to fulfill these duties. When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency. The state authority shall disseminate facts and summary information about problems associated with substance misuse and substance use disorder to public and private agencies, local governments, local and regional planning agencies, and the courts for guidance to and assistance in prevention, treatment and recovery support;

(5) inform and educate the general public on substance misuse and substance use disorder;

(6) serve as the state authority concerning substance misuse and substance use disorder by monitoring the conduct of diagnosis and referral services, research and comprehensive programs. The state authority shall submit a biennial report to the governor ~~and the legislature~~ containing a description of public services delivery and recommendations concerning increase of coordination and quality of services, and decrease of service duplication and cost;

(7) establish a state plan which shall set forth goals and priorities for a comprehensive continuum of care for substance misuse and substance use disorder for Minnesota. All state agencies operating substance misuse or substance use disorder programs or administering state or federal funds for such programs shall annually set their program goals and priorities in accordance with the state plan. Each state agency shall annually submit its plans and budgets to the state authority for review. The state authority shall certify whether proposed services comply with the comprehensive state plan and advise each state agency of review findings;

(8) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation, statewide programs and services, research and demonstration projects, and American Indian programs;

(9) receive and administer money available for substance misuse and substance use disorder programs under the alcohol, drug abuse, and mental health services block grant, United States Code, title 42, sections 300X to 300X-9;

(10) solicit and accept any gift of money or property for purposes of Laws 1973, chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;

(11) with respect to substance misuse and substance use disorder programs serving the American Indian community, establish guidelines for the employment of personnel with considerable practical experience in substance misuse and substance use disorder, and understanding of social and cultural problems related to substance misuse and substance use disorder, in the American Indian community.

Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10, is amended to read:

Subd. 10. **Evaluation of information and data.** (a) The commissioner shall, within available resources, conduct research and gather data and information from existing state systems or other outside sources on the following items:

(1) differences in the underlying cost to provide services and care across the state;

(2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and

(3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.

(b) The commissioner, in consultation with stakeholders, shall review and evaluate the following values already in subdivisions 6 to 9, or issues that impact all services, including, but not limited to:

(1) values for transportation rates;

(2) values for services where monitoring technology replaces staff time;

(3) values for indirect services;

(4) values for nursing;

(5) values for the facility use rate in day services, and the weightings used in the day service ratios and adjustments to those weightings;

- (6) values for workers' compensation as part of employee-related expenses;
- (7) values for unemployment insurance as part of employee-related expenses;
- (8) direct care workforce labor market measures;
- (9) any changes in state or federal law with a direct impact on the underlying cost of providing home and community-based services;
- (10) outcome measures, determined by the commissioner, for home and community-based services rates determined under this section; and
- (11) different competitive workforce factors by service, as determined under subdivision 10b.

~~(e) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (a) and (b) on January 15, 2021, with a full report, and a full report once every four years thereafter.~~

~~(d)~~ (c) Beginning July 1, 2022, the commissioner shall renew analysis and implement changes to the regional adjustment factors once every six years. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.

Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10a, is amended to read:

Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the service. As determined by the commissioner, in consultation with stakeholders identified in subdivision 17, a provider enrolled to provide services with rates determined under this section must submit requested cost data to the commissioner to support research on the cost of providing services that have rates determined by the disability waiver rates system. Requested cost data may include, but is not limited to:

- (1) worker wage costs;
- (2) benefits paid;
- (3) supervisor wage costs;
- (4) executive wage costs;
- (5) vacation, sick, and training time paid;
- (6) taxes, workers' compensation, and unemployment insurance costs paid;
- (7) administrative costs paid;
- (8) program costs paid;
- (9) transportation costs paid;

(10) vacancy rates; and

(11) other data relating to costs required to provide services requested by the commissioner.

(b) At least once in any five-year period, a provider must submit cost data for a fiscal year that ended not more than 18 months prior to the submission date. The commissioner shall provide each provider a 90-day notice prior to its submission due date. If a provider fails to submit required reporting data, the commissioner shall provide notice to providers that have not provided required data 30 days after the required submission date, and a second notice for providers who have not provided required data 60 days after the required submission date. The commissioner shall temporarily suspend payments to the provider if cost data is not received 90 days after the required submission date. Withheld payments shall be made once data is received by the commissioner.

(c) The commissioner shall conduct a random validation of data submitted under paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation in paragraph (a) and provide recommendations for adjustments to cost components.

(d) The commissioner shall analyze cost data submitted under paragraph (a) ~~and, in consultation with stakeholders identified in subdivision 17, may submit recommendations on component values and inflationary factor adjustments to the chairs and ranking minority members of the legislative committees with jurisdiction over human services once every four years beginning January 1, 2021. The commissioner shall make recommendations in conjunction with reports submitted to the legislature according to subdivision 10, paragraph (e).~~ The commissioner shall release cost data in an aggregate form. Cost data from individual providers must not be released except as provided for in current law.

(e) The commissioner shall use data collected in paragraph (a) to determine the compliance with requirements identified under subdivision 10d. The commissioner shall identify providers who have not met the thresholds identified under subdivision 10d on the Department of Human Services website for the year for which the providers reported their costs.

Sec. 4. Minnesota Statutes 2022, section 256B.69, subdivision 5k, is amended to read:

Subd. 5k. **Actuarial soundness.** ~~(a)~~ Rates paid to managed care plans and county-based purchasing plans shall satisfy requirements for actuarial soundness. In order to comply with this subdivision, the rates must:

(1) be neither inadequate nor excessive;

(2) satisfy federal requirements;

(3) in the case of contracts with incentive arrangements, not exceed 105 percent of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement;

(4) be developed in accordance with generally accepted actuarial principles and practices;

(5) be appropriate for the populations to be covered and the services to be furnished under the contract; and

(6) be certified as meeting the requirements of federal regulations by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board.

~~(b) Each year within 30 days of the establishment of plan rates the commissioner shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division to certify how each of these conditions have been met by the new payment rates.~~

Sec. 5. Minnesota Statutes 2022, section 402A.16, subdivision 2, is amended to read:

Subd. 2. **Duties.** The Human Services Performance Council shall:

(1) hold meetings at least quarterly that are in compliance with Minnesota's Open Meeting Law under chapter 13D;

(2) annually review the annual performance data submitted by counties or service delivery authorities;

(3) review and advise the commissioner on department procedures related to the implementation of the performance management system and system process requirements and on barriers to process improvement in human services delivery;

(4) advise the commissioner on the training and technical assistance needs of county or service delivery authority and department personnel;

(5) review instances in which a county or service delivery authority has not made adequate progress on a performance improvement plan and make recommendations to the commissioner under section 402A.18;

(6) consider appeals from counties or service delivery authorities that are in the remedies process and make recommendations to the commissioner on resolving the issue;

(7) convene working groups to update and develop outcomes, measures, and performance thresholds for the performance management system and, on an annual basis, present these recommendations to the commissioner, including recommendations on when a particular essential human services program has a balanced set of program measures in place;

(8) make recommendations on human services administrative rules or statutes that could be repealed in order to improve service delivery; and

(9) provide information to stakeholders on the council's role and regularly collect stakeholder input on performance management system performance; and.

~~(10) submit an annual report to the legislature and the commissioner, which includes a comprehensive report on the performance of individual counties or service delivery authorities as it relates to system measures; a list of counties or service delivery authorities that have been required to create performance improvement plans and the areas identified for improvement as part of the remedies process; a summary of performance improvement training and technical assistance activities offered to the county personnel by the department; recommendations on administrative rules or state~~

~~statutes that could be repealed in order to improve service delivery; recommendations for system improvements, including updates to system outcomes, measures, and thresholds; and a response from the commissioner.~~

Sec. 6. **REPEALER.**

Minnesota Statutes 2022, sections 245G.011, subdivision 5; 252.34; 256.01, subdivisions 39 and 41; 256B.79, subdivision 6; and 256K.45, subdivision 2, are repealed."

Correct the internal references

Delete the title and insert:

"A bill for an act relating to human services; modifying and establishing laws regarding disability services, aging services, and substance use disorder treatment services; modifying assisted living facility licensing standards; modernizing language in Deaf and Hard-of-Hearing Services Act; expanding application of bloodborne pathogen testing to nonsecure direct care and treatment programming; making technical corrections and repealing obsolete language; limiting rent increases in certain low-income rental projects receiving low-income housing tax credits; amending Minnesota Statutes 2022, sections 144A.20, subdivision 4; 144G.08, subdivision 7; 144G.30, subdivision 5; 144G.45, subdivision 3; 148F.025, subdivision 2; 245A.11, subdivision 2; 245D.071, subdivisions 3, 4; 245D.081, subdivisions 2, 3; 245D.09, subdivision 3; 245D.091, subdivisions 3, 4; 245D.10, subdivision 1; 245F.02, subdivisions 17, 21; 245F.08, subdivision 3; 245F.15, subdivision 7; 245G.01, subdivisions 13b, 24, by adding subdivisions; 245G.031, subdivision 2; 245G.04, by adding a subdivision; 245G.07, subdivisions 3, 3a; 245G.11, subdivision 7; 245G.22, subdivision 6; 246.71, subdivisions 3, 4, 5; 246.711; 246.712, subdivisions 1, 2; 246.713; 246.714; 246.715, subdivisions 1, 2, 3; 246.716, subdivisions 1, 2; 246.717; 246.72; 246.721; 246.722; 254A.03, subdivision 1; 256.975, subdivision 7e; 256B.0759, subdivision 4; 256B.0911, subdivisions 12, 17, 18, 20, 24, 25; 256B.092, by adding a subdivision; 256B.49, by adding a subdivision; 256B.4905, subdivision 12; 256B.69, subdivision 5k, by adding a subdivision; 256B.85, subdivisions 2, 6, 6a, 11, 17, 20, by adding a subdivision; 256C.21; 256C.23, subdivisions 1a, 2, 2a, 2b, 2c, 6, 7, by adding a subdivision; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, 3; 256C.26; 256C.261; 256C.28, subdivision 1; 256R.08, subdivision 1, by adding a subdivision; 256S.205, subdivision 5, by adding a subdivision; 325F.722, subdivision 1, by adding subdivisions; 402A.16, subdivision 2; 462A.222, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 245G.05, subdivisions 1, 3; 245G.06, subdivisions 1, 3, 3a, 4; 245G.07, subdivision 2; 245G.09, subdivision 3; 245G.11, subdivision 10; 245G.22, subdivisions 2, 17; 254A.19, subdivision 3; 254B.04, subdivision 6, by adding a subdivision; 254B.05, subdivisions 1, 5; 254B.181, subdivision 1; 254B.19, subdivision 1; 256B.057, subdivision 9; 256B.0759, subdivision 2; 256B.4914, subdivisions 4, 10, 10a; 256B.85, subdivision 13a; Laws 2021, First Special Session chapter 7, article 13, section 75; Laws 2023, chapter 61, article 8, section 13, subdivision 2; repealing Minnesota Statutes 2022, sections 245G.011, subdivision 5; 245G.22, subdivisions 4, 7; 252.34; 256.01, subdivisions 39, 41; 256.975, subdivisions 7f, 7g; 256B.79, subdivision 6; 256K.45, subdivision 2; 256R.18; 325F.722, subdivisions 2, 3, 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Port from the Committee on Housing and Homelessness Prevention, to which was referred

S.F. No. 4704: A bill for an act relating to housing; implementing recommendations of the Workgroup on Expediting Rental Assistance for improving application approval times for the family homelessness prevention and assistance program, the emergency assistance program, and emergency general assistance; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

HOUSING FINANCE AGENCY

Section 1. [462A.2096] ANNUAL PROJECTION OF EMERGENCY RENTAL ASSISTANCE NEEDS.

The agency must develop a projection of emergency rental assistance needs in consultation with the commissioner of human services and representatives from county and Tribal housing administrators and housing nonprofit agencies. The projection must identify the amount of funding required to meet all emergency rental assistance needs, including the family homelessness prevention and assistance program, the emergency assistance program, and emergency general assistance. By January 15 each year, the commissioner must submit a report on the projected need for emergency rental assistance to the chairs and ranking minority members of the legislative committees having jurisdiction over housing and human services finance and policy.

Sec. 2. DATA COLLECTION TO MEASURE TIMELINESS OF RENTAL ASSISTANCE.

The commissioner of the Minnesota Housing Finance Agency must work with the commissioner of human services to develop criteria for measuring the timeliness of processing applications for rental assistance. The commissioner of the Minnesota Housing Finance Agency must collect data to monitor application speeds of the family homelessness prevention and assistance program and use the collected data to inform improvements to application processing systems. By January 15, 2027, the commissioner of the Minnesota Housing Finance Agency must submit a report to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy. The report must include analysis of the data collected and whether goals have been met to (1) process an emergency rental assistance application within two weeks of the receipt of a complete application, and (2) if approved, make payment to a landlord within 30 days of the receipt of a complete application.

Sec. 3. E-SIGNATURE OPTIONS FOR RENTAL ASSISTANCE.

The commissioner of the Minnesota Housing Finance Agency, working with the commissioner of human services shall develop uniform e-signature options to be used in applications for the family homelessness prevention and assistance program. No later than June 30, 2026, the commissioner shall require administrators of the family homelessness prevention and assistance program to

incorporate and implement the developed e-signature options. The commissioner must notify the chairs and ranking minority members of the legislative committees with jurisdiction over housing of the date when the e-signature options are implemented.

Sec. 4. **VERIFICATION PROCEDURES FOR RENTAL ASSISTANCE.**

(a) The commissioner of the Minnesota Housing Finance Agency, working with program administrators, must develop recommendations to simplify the process of verifying information in applications for the family homelessness prevention and assistance program. In developing recommendations, the commissioner must consider:

(1) allowing self-attestation of emergencies, assets, and income;

(2) allowing verbal authorization by applicants to allow emergency rental assistance administrators to communicate with landlords and utility providers regarding applications for assistance; and

(3) allowing landlords to apply for emergency rental assistance on tenants' behalf.

(b) The commissioner must:

(1) prepare recommendations by January 1, 2025;

(2) adopt any recommendations by July 1, 2025; and

(3) provide technical assistance to counties, Tribes, and other emergency rental assistance administrators to implement these recommendations.

(c) By January 13, 2025, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing detailing the proposed recommendations required by this section. By July 7, 2025, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing detailing the recommendations adopted as required by this section.

ARTICLE 2

HUMAN SERVICES

Section 1. **DATA COLLECTION TO MEASURE TIMELINESS OF RENTAL ASSISTANCE.**

The commissioner of human services must work with the commissioner of the Minnesota Housing Finance Agency to develop criteria for measuring the timeliness of processing applications for rental assistance. The commissioner of human services must collect data to monitor application speeds for emergency assistance and emergency general assistance, and use the collected data to inform improvements to application processing systems. By January 15, 2027, the commissioner of human services must submit a report to the chairs and ranking minority members of the legislative committees having jurisdiction over human services finance and policy. The report must include analysis of the data collected and whether goals have been met to (1) process an emergency rental

assistance application within two weeks of the receipt of a complete application, and (2) if approved, make payment to a landlord within 30 days of the receipt of a complete application.

Sec. 2. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MAXIS MODIFICATIONS.

The commissioner of human services must make modifications to the MAXIS system to ensure it has greater flexibility in issuing assistance payments while maintaining controls to monitor and prevent inaccurate, unnecessary, or fraudulent payments. The commissioner must identify gaps and plan modifications as needed to fulfill the stated goals in this act.

Sec. 3. EMERGENCY ASSISTANCE PROGRAM MODIFICATIONS.

The commissioner of human services, in consultation with the commissioner of the Minnesota Housing Finance Agency must develop program recommendations for emergency rental assistance that have the flexibility to provide relief for crises within a time frame that corresponds to the emergency and that are simple enough for applicants to understand across all emergency rental assistance programs. In the development of these recommendations, the commissioners must:

(1) recognize differences between administrative and legislative authority and propose legislative changes to the definition of emergency general assistance;

(2) adopt policies and practices that prioritize comprehensible eligibility criteria and definitions that prioritize accessible, humanizing approaches when assisting persons through a crisis; and

(3) develop guidance for emergency rental assistance program administrators that encourage the program administrators to be flexible with the required forms of documentation for the program and to avoid establishing documentation requirements that are likely to be barriers to participation in emergency rental assistance by eligible households.

Sec. 4. E-SIGNATURE OPTIONS FOR RENTAL ASSISTANCE.

The commissioner of human services, working with the commissioner of the Minnesota Housing Finance Agency shall develop uniform e-signature options to be used in applications for emergency general assistance and emergency assistance. No later than June 30, 2026, the commissioner shall require administrators of emergency general assistance and emergency assistance to incorporate and implement the developed e-signature options. The commissioner must notify the chairs and ranking minority members of the legislative committees with jurisdiction over human services of the date when the e-signature options are implemented.

Sec. 5. PROMOTING ADEQUATE FUNDING FOR PROCESSING EMERGENCY ASSISTANCE APPLICATIONS.

(a) The commissioner of human services, in consultation with county and Tribal human services agencies, the Minnesota Association of County Social Services Administrators, the Minnesota Tribal Collaborative, and other stakeholders shall identify and evaluate strategies to promote adequate funding for processing emergency rental assistance applications. The commissioner shall:

(1) evaluate state and federal reimbursement for administrative support staff;

(2) determine adequate compensation for processors based on objective data such as market studies or livable wage markers;

(3) determine if state funding increases are necessary to process emergency rental assistance applications in a timely manner; and

(4) establish a process to determine an equitable funding formula that is adjustable as needed.

(b) The commissioner shall report the results of the evaluation of funding for processing emergency assistance applications and any related recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over emergency assistance by January 1, 2026. The report must also include any draft legislation necessary to implement the recommendations.

Sec. 6. VERIFICATION PROCEDURES FOR RENTAL ASSISTANCE.

(a) The commissioner of human services shall consult with local officials to develop recommendations aimed at simplifying the process of verifying the information in applications for emergency general assistance and emergency assistance. In developing recommendations, the commissioner must consider:

(1) allowing self-attestation of emergencies, assets, and income;

(2) allowing verbal authorization by applicants to allow emergency rental assistance administrators to communicate with landlords and utility providers regarding applications for assistance; and

(3) allowing landlords to apply for emergency rental assistance on tenants' behalf.

(b) The commissioner must:

(1) prepare recommendations by January 1, 2025;

(2) adopt any recommendations by July 1, 2025; and

(3) provide technical assistance to counties, Tribes, and other emergency rental assistance administrators to implement these recommendations.

(c) By January 13, 2025, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services detailing the proposed recommendations required by this section. By July 7, 2025, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services detailing the recommendations adopted as required by this section."

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Health and Human Services. Amendments adopted. Report adopted.

Senator Klein from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 3345: A bill for an act relating to environment; banning certain mercury-containing lighting; amending Minnesota Statutes 2022, section 116.92, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment, Climate, and Legacy. Report adopted.

Senator Klein from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 3993: A bill for an act relating to transportation; amending requirements related to active transportation, including regulation of electric-assisted bicycles and sales, requirements on complete streets, and driver's education; appropriating money; amending Minnesota Statutes 2022, sections 169.011, by adding subdivisions; 169.21, subdivision 6; 169.222, subdivisions 6a, 6b; 174.75, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 169.011, subdivision 27; 171.0705, subdivision 2; 171.13, subdivision 1; Laws 2023, chapter 68, article 1, section 20; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete section 4

Renumber the sections in sequence

Amend the title accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Klein from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 3561: A bill for an act relating to solid waste; establishing Packaging Waste and Cost Reduction Act; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 115A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 23, after "material" insert ", such as paper, plastic, metal, or glass,"

Page 2, after line 30, insert:

"Subd. 12. **Drop-off collection site.** "Drop-off collection site" means a physical location where covered materials are accepted from the public and that is open a minimum of 12 hours weekly throughout the year."

Renumber the subdivisions in sequence

Page 3, line 23, delete "or"

Page 3, line 30, after the period, insert "; or"

Page 3, after line 30, insert:

"(8) are paper products used for a print publication that primarily includes content derived from primary sources related to news and current events."

Page 4, line 6, after "funds" insert "or reimburses service providers for"

Page 4, line 25, after "packaging" insert "and only includes those materials that are supplied to a residential consumer"

Page 9, line 27, after "(b)" insert "Following the approval of the initial producer responsibility organization and the initial stewardship plan,"

Page 14, after line 18, insert:

"(7) provide producer responsibility organizations with information regarding Minnesota and federal laws that prohibit toxic substances in covered materials;"

Page 14, line 19, delete "(7)" and insert "(8)"

Page 14, line 21, delete "(8)" and insert "(9)"

Page 16, after line 20, insert:

"(d) A producer responsibility organization may petition the commissioner for a two-year extension on the requirements of paragraph (c) if market or technical issues prevent a covered material from being considered recyclable, reusable, or compostable as included in the lists established under section 115A.1453. This extension may be renewed in annual increments until January 1, 2040, if market or technical issues persist."

Page 16, delete lines 26 to 30 and insert:

"A service provider receiving reimbursement or funding under an approved stewardship plan must:

(1) ensure the collection, transportation, and management of covered materials generated in the state pursuant to the lists established under section 115A.1453 and covered materials that are capable of refill or reuse;

(2) provide that covered materials are sent to responsible markets; and

(3) provide documentation to the producer responsibility organization on the amounts, covered materials types, and volumes of covered materials collected, transported, and managed for recycling, composting, or reuse."

Page 17, delete lines 1 to 3

Page 17, line 7, after the period, insert "Upon request from the producer responsibility organization, the commissioner may adjust what is required to be included in a specific needs assessment to reduce the scope to best inform the next stewardship plan."

Page 17, line 28, after "content" insert ", by the best estimate," and after "is" insert "or could be"

Page 18, line 11, after "content" insert ", if applicable"

Page 18, line 12, delete "described in clause (3)" and insert "established in section 115A.1451, subdivision 7"

Page 18, delete lines 26 to 29 and insert:

"(5) an evaluation of the following factors for each covered material collected for recycling or composting:

(i) availability of recycling and composting collection services;

(ii) recycling and composting processing infrastructure;

(iii) capacity and technology for sorting covered materials;

(iv) availability of responsible end markets;

(v) presence and amount of processing residuals, contamination, and toxic substances;

(vi) quantity of material estimated to be available and recoverable;

(vii) projected future conditions for items (i) to (vi); and

(viii) other criteria or factors determined by the commissioner;

(6) recommended collection methods by covered materials type to maximize collection efficiency and feedstock quality;"

Page 18, line 30, delete "(6)" and insert "(7)"

Page 19, line 1, delete "(7)" and insert "(8)"

Page 19, line 3, delete "(8)" and insert "(9)"

Page 19, line 8, before "multifamily" insert "at" and delete "commercial"

Page 19, line 9, delete everything before "and" and after "and" insert "in" and after "places" insert "where political subdivisions arrange for collection of recyclable or compostable materials"

Page 19, line 12, delete "(9)" and insert "(10)"

Page 19, line 22, delete "(10)" and insert "(11)"

Page 19, line 24, delete "(11)" and insert "(12)"

Page 19, delete lines 27 to 29 and insert:

"(13) an assessment of what toxic substances might be intentionally added to covered materials and best practices to eliminate or mitigate their use or presence in covered materials;"

Page 19, line 30, delete "(13)" and insert "(14)"

Page 20, line 10, delete "(14)" and insert "(15)"

Page 20, line 12, delete "(15)" and insert "(16)"

Page 20, line 28, after "information" insert ", excluding location data necessary to assess needs,"

Page 21, delete lines 18 to 21 and insert:

"(2) a description of the anticipated method of collection and management to be used for each covered materials type for covered materials capable of refill, reusable covered materials and materials included on lists established in section 115A.1453;"

Page 22, line 1, delete "a plan" and insert "set goals"

Page 22, line 3, delete the second "the" and insert "potential"

Page 22, line 5, delete "fully" and after "any" insert "consumer-facing"

Page 22, lines 6 and 9, after the second comma, insert "or" and delete ", or other cost"

Page 22, delete lines 19 to 23 and insert:

"(iv) provide for reasonable reimbursement rates for statewide coverage of recycling services for covered materials on the lists established in section 115A.1453 to single-family residences, multifamily residences, and political subdivisions arranging for collection, transportation, and processing of recyclable materials at a comparable level of convenience as services for mixed municipal solid waste; and"

Page 22, delete lines 25 to 31 and insert:

"(9) a description of how the program shall reimburse service providers via differentiated rates developed to address factors under section 115A.1455, subdivision 4, for managing covered materials, exclusive of exempt materials, as follows:

(i) a fixed amount for each ton of covered material collected and recycled by a service provider in the prior calendar year based upon the average costs associated with the collection, transportation, and processing, from a central location within a political subdivision, of collected covered material from the political subdivision to a recycling or composting facility; the processing of and removal of contamination from covered material by a recycling or composting facility; and the recycling or composting of covered materials in the state or in another jurisdiction less the average fair market value in the state for that covered material. In determining costs under this item, a producer responsibility organization may not include costs associated with the disposal of covered material,

except for costs associated with the disposal of contaminated materials removed from collected covered material;

(ii) an additional fixed amount, in excess of the rate provided under item (i), for each ton for covered material that is not included on the lists established according to section 115A.1453, subdivision 1, that are recycled, composted, or otherwise diverted from disposal by a service provider in the prior calendar year less the average fair market value for that covered material; and

(iii) if mixed tons are managed through a process that includes percentages of covered materials included on the lists established according to section 115A.1453 and additional covered materials, the per ton fixed amount shall be prorated for the values in items (i) and (ii), based upon the most recent waste characterization for mixed recycling ton averages;"

Page 23, line 4, delete "service agreements, including" and insert "the program and service provider participating in the program shall include the following"

Page 23, line 5, delete "an agreement"

Page 23, line 7, delete "a requirement" and after "providers" insert "must" and delete "recyclable"

Page 23, line 8, delete "or compostable materials" and before the semicolon, insert ", subdivision 1"

Page 23, line 10, after "providers" insert ", developed by the producer responsibility organization and approved by the commissioner in the program plan,"

Page 23, line 18, delete "proof of"

Page 23, line 19, delete everything before the semicolon and insert "certificates of compliance, upon request"

Page 25, line 12, before the period, insert "if such certifications are readily available, applicable, and of equitable cost"

Page 26, delete subdivision 7 and insert:

"Subd. 7. **Statewide requirements.** (a) The commissioner must establish or approve statewide requirements and the date the statewide requirements must be met for the following categories:

(1) recycling rate;

(2) composting rate;

(3) reuse rate;

(4) return rate;

(5) the percentage of weight of covered materials introduced that must be waste reduced; and

(6) the percentage of postconsumer recycled content that covered materials introduced must contain, including an overall percentage for all covered materials, as applicable, excluding

compostable materials that cannot include postconsumer recycled content because unique chemical or physical properties or health and safety requirements prohibit introduction of postconsumer recycled content.

(b) The commissioner may use the following information and criteria when establishing statewide requirements under paragraph (a):

(1) needs assessment under section 115A.1450;

(2) goals and requirements of the Waste Management Act under this chapter;

(3) statewide goals for greenhouse gas emission reductions under section 216H.02;

(4) need for continuous progress toward generating less waste from covered materials and the complete reuse, recycling, or composting of the covered materials that are generated, in doing so reducing impacts to human health and the environment;

(5) a preference for statewide requirements that accomplish and further the goals and requirements in clauses (2) to (4) as soon as practicable and to the maximum extent achievable; and

(6) information from packaging and paper producer responsibility programs operating in other jurisdictions.

(c) The commissioner must consult with the product stewardship organization on the proposed statewide requirements and must submit proposed statewide requirements under paragraph (a) to the advisory board and consider the board's recommendations before finalizing the statewide requirements.

(d) Every five years, the commissioner must review the statewide requirements established under paragraph (a). If the commissioner decides an update is not warranted at that time, the commissioner must submit the reasoning to the advisory board and consider the board's recommendations before making a final decision. If the commissioner decides an update is warranted, the process in paragraphs (b) and (c) must be utilized.

(e) The producer responsibility organization must ensure the statewide requirements are met."

Page 27, line 12, delete "at least every three years thereafter" and insert "upon request from the producer responsibility organization or advisory board"

Page 27, line 15, after the period, insert "These covered materials must be collected at the equivalent level of service and convenience as collection services for mixed municipal solid waste."

Page 27, after line 15, insert:

"Subd. 2. **Alternative collection list required.** By March 1, 2027, the commissioner must complete a list of covered materials determined to be recyclable or compostable and collected statewide through systems other than the system required for covered materials on the list established in subdivision 1."

Page 27, line 18, after "develop" insert "or amend"

Page 27, line 19, before the period, insert "and must review any petitions by interested parties for addition or removal of covered materials from the lists created under this section"

Page 27, after line 19, insert:

"Subd. 4. **Criteria.** In developing the lists under subdivisions 1 and 2, the commissioner may consider the following criteria:

(1) current availability of recycling collection services;

(2) recycling collection and processing infrastructure;

(3) capacity and technology for sorting covered materials;

(4) availability of responsible end markets;

(5) presence and amount of processing residuals and contamination;

(6) quantity of material estimated to be available and recoverable;

(7) projected future conditions for clauses (1) to (6);

(8) if collected for recycling, the covered material type and form must be one that is regularly sorted and aggregated into defined streams for recycling processes or the packaging format must be specified in a relevant Institution of Scrap Recycling Industries specification; and

(9) other criteria or factors determined by the commissioner."

Page 27, delete subdivision 3 and insert:

"Subd. 5. **Collection requirements.** (a) A producer responsibility organization must collect covered materials included in a list established under subdivision 1 on a statewide basis as follows:

(1) for residents that have curbside mixed municipal solid waste collection, provide collection of covered materials at the same frequency and on the same day as mixed municipal solid waste collection;

(2) provide collection of covered materials at each recycling or mixed municipal solid waste drop-off site that is open to the public, including but not limited to canister sites, transfer stations, and disposal facilities;

(3) provide a durable container dedicated to the collection of covered materials to every residential unit served according to this paragraph; and

(4) in addition to the requirements of clauses (1) to (3), the producer responsibility organization may collect or contract for the collection of covered materials from the public by other means, including but not limited to other drop-off locations or mobile collections.

(b) A producer responsibility organization must collect covered materials included in a list established under subdivision 2 on a statewide basis as follows:

(1) the producer responsibility organization must provide:

(i) for each county with a population of 10,000 or less, at least two permanent drop-off collection sites;

(ii) for each county with a population greater than 10,000 but less than or equal to 100,000, at least two permanent drop-off collection sites and at least one additional permanent drop-off collection site for each additional 10,000 in population above a population of 10,000;

(iii) for each county with a population greater than 100,000, at least 11 permanent drop-off collection sites and at least one additional permanent year-round drop-off collection site for each additional 50,000 in population above a population of 100,000; and

(iv) a permanent drop-off collection site located within ten miles of the household of at least 95 percent of the residents of the state;

(2) the producer responsibility organization may propose an alternative to the requirements of clause (1) as a part of a stewardship plan if the producer responsibility organization demonstrates that the alternative will provide an equivalent or greater level of service and convenience; and

(3) the producer responsibility organization may use the following additional collection methods in accordance with section 115A.1451, subdivision 3, clause (2):

(i) curbside collection of source-separated covered materials;

(ii) curbside collection less frequently than collection of mixed municipal solid waste;

(iii) mobile collection;

(iv) collection events;

(v) custom collection program based on the use and generation of the covered material being managed in a custom program; and

(vi) collection in the same manner provided for the covered materials in the list under subdivision 1."

Renumber the subdivisions in sequence

Page 28, line 10, delete "agreements and operations" and insert "reimbursement rates"

Page 29, line 2, delete everything after "marketplace"

Page 29, line 3, delete everything before the semicolon

Page 29, line 7, delete "agreements in"

Page 29, line 17, delete "AGREEMENTS"

Page 29, line 18, delete "RATES"

Page 29, delete subdivision 1 and insert:

"Subdivision 1. **Service provider reimbursement required.** The reimbursements provided for waste reduction, reuse, processing, recycling, or composting services under an approved stewardship plan shall only be provided to service providers that meet the following conditions:

(1) establish strong labor standards and work safety practices, including but not limited to safety programs, health benefits, and living wages;

(2) meet performance standards established under an approved stewardship plan; and

(3) establish clear and reasonable timelines for reimbursement, with a frequency of no less than monthly."

Page 30, line 4, delete everything after "For"

Page 30, line 5, delete "materials and for"

Page 30, line 16, delete "Each service agreement must include" and insert "An approved stewardship plan must provide"

Page 31, line 8, delete "service agreement with a"

Page 31, line 9, delete "include" and insert "be provided" and delete "use a rate" and insert "reflect relevant cost factors"

Page 31, line 15, after the period, insert "If a majority of political subdivisions in the state chooses not to participate in the program by January 1, 2030, the commissioner shall revise the performance targets established under section 115A.1451, subdivision 7."

Page 31, line 19, delete "conduct activities that would conflict, compete," and insert "restrict"

Page 31, line 25, delete "and the service agreements"

Page 31, line 28, delete "May" and insert "July"

Page 32, line 18, delete "through proof of testing or an analytical and scientifically demonstrated methodology"

Page 33, line 3, delete the second "and"

Page 33, after line 3, insert:

"(11) any recommendations for additions or removal of covered materials to or from the recyclable or compostable covered materials list developed under section 115A.1453; and"

Page 33, line 4, delete "(11)" and insert "(12)"

Page 33, line 16, after the period, insert "If a performance target is unmet due to lack of political subdivision participation in the program, the commissioner shall revise the performance targets developed under section 115A.1451, subdivision 7."

Page 35, line 9, before "It" insert "(a)"

Page 35, after line 15, insert:

"(b) Any implementation of a deposit return system is created with at least a two-year transition period prior to the expiry of the currently approved stewardship plan and conducted in a manner that does not create sudden and significant operational or financial disruption to the implementation of a stewardship plan under section 115A.1451, including provisions of recycling or reuse services contained in the plan."

Page 36, line 28, delete "agreements and"

And when so amended the bill do pass and be re-referred to the Committee on Environment, Climate, and Legacy. Amendments adopted. Report adopted.

Senator Dziedzic from the Committee on State and Local Government and Veterans, to which was referred

S.F. No. 4504: A bill for an act relating to the military; amending provisions related to the National Guard; modifying the types of data regarding service members that the adjutant general may request from other agencies; amending Minnesota Statutes 2022, sections 192.25; 192.67.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 13.785, is amended to read:

13.785 VETERANS OR MILITARY AFFAIRS DATA CODED ELSEWHERE.

Subdivision 1. **Scope.** The sections referred to in this section are codified outside this chapter. Those sections classify veterans or military affairs data as other than public, place restrictions on access to government data, or involve data sharing.

Subd. 2. **Department of Veterans Affairs.** (a) **Certain veterans benefits and military certificates of discharge.** Access to military certificates of discharge and to files pertaining to claims for certain veterans benefits is governed by section 196.08.

(b) **Environmental Hazards Information and Assistance Act.** Disclosure of summary data and of the identity of a veteran about whom information is received under sections 196.19 to 196.26, is governed by section 196.25.

Subd. 3. **Veterans rewards and privileges; service officers.** Data maintained by county veterans service officers are classified under section 197.603.

Subd. 4. **Deceased veterans data.** Data relating to veterans deceased as a result of service-connected causes are classified under section 197.225.

Subd. 5. **Veterans stable housing.** Data maintained for purposes of the veterans stable housing initiative is classified under section 196.081.

Subd. 6. **Service member data; disclosure to adjutant general.** Access to data on a service member of the military forces by the adjutant general of the Minnesota National Guard is governed by section 192.67, subdivision 2.

Sec. 2. Minnesota Statutes 2022, section 192.25, is amended to read:

192.25 EXEMPTION FROM PROCESS; TRANSFER TO CIVIL AUTHORITIES.

Subdivision 1. **Exemption from process.** No member of the guard shall be arrested, or served with any summons, order, warrant or other civil process after having been ordered to any duty or while going to, attending or returning from any place to which the member is required to go for military duty; but nothing herein shall prevent an arrest by order of a military officer or for a felony or breach of the peace committed while not in the actual performance of assigned duties. The articles of equipment personally owned by such members shall be exempt from seizure or sale for debt.

Subd. 2. **Transfer to civil authorities.** When probable cause exists that a criminal offense, other than a crime designated as a purely military offense in section 192A.021, has been committed by any officer or enlisted member of the military forces while on duty status other than federal duty, the officer or enlisted member may be turned over by superior officers to the proper civil authorities of the county or municipality in which the offense occurred for adjudication of such crime, to include imposition of pretrial restraint, but trial and punishment by the civil authorities shall not preclude trial and additional punishment or dismissal from the service by court-martial for any military offense resulting from the commission of said crime.

Sec. 3. Minnesota Statutes 2022, section 192.67, is amended to read:

192.67 OFFENDERS; TRANSFER TO CIVIL AUTHORITIES; SERVICE MEMBER DATA.

~~Subdivision 1. **Transfer to civil authorities.** When any criminal offense is committed by any officer or enlisted member of the military forces while on duty status other than federal duty, the officer or enlisted member shall be turned over by superior officers to the proper civil authorities of the county or municipality in which the offense occurred for punishment for such crime, but such trial and punishment by the civil authorities shall not preclude trial and additional punishment or dismissal from the service by court-martial for any military offense resulting from the commission of said crime.~~

Subd. 2. **Service member data.** Notwithstanding any provision of chapter 13 or other state law, all confidential data on individuals and private data on individuals, as defined by section 13.02, subdivisions 3 and 12, pertaining to any service member of the military forces and maintained by any government entity, including but not limited to investigative reports and law enforcement data; including but not limited to all data collected and defined under section 13.82 pertaining to any service member of the military forces, must be made accessible to the adjutant general of the Minnesota National Guard upon request of the Office of the State Judge Advocate. All information, data, and records obtained under this subdivision may be accessed, copied, transmitted, or provided to the adjutant general without a court order or request from the subject of the data when the matter involves any officer or enlisted member of the military forces. ~~The adjutant general may only use data made accessible under this subdivision in support of military justice and Minnesota National Guard administrative and disciplinary actions."~~

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Judiciary and Public Safety. Amendments adopted. Report adopted.

Senator Dzierdzic from the Committee on State and Local Government and Veterans, to which was referred

S.F. No. 4417: A bill for an act relating to the military; modifying the crime of unauthorized presence at Camp Ripley to include any campground, military reservation, armory, installation, or facility owned or controlled by the state or federal government for military purposes; providing criminal penalties; amending Minnesota Statutes 2022, section 609.396.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary and Public Safety. Report adopted.

Senator Dzierdzic from the Committee on State and Local Government and Veterans, to which was re-referred

S.F. No. 4483: A bill for an act relating to employees; prohibiting misclassification of employees; imposing penalties; classifying data; amending Minnesota Statutes 2022, sections 177.27, subdivision 3; 181.171, subdivision 1; 181.722; 181.723; 270B.14, subdivision 17, by adding a subdivision; 326B.081, subdivisions 3, 6, 8; 326B.082, subdivisions 1, 2, 4, 6, 7, 10, 11, 13, by adding a subdivision; 326B.701; Minnesota Statutes 2023 Supplement, section 177.27, subdivisions 1, 2, 4, 7; proposing coding for new law in Minnesota Statutes, chapter 181.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 11, delete everything after "(b)"

Page 5, delete line 12

Page 5, line 13, delete "any" and insert "An" and after "agent" insert ", on behalf of the person,"

Page 11, line 1, delete "satisfactory"

Page 11, line 13, after "acting" insert "as an agent of and"

Page 11, after line 19, insert:

"(4) Clauses (1) to (3) do not create an employee-employer relationship between a person and an employee at any tier under the person if there is an intervening business entity in the contractual chain that meets the requirements of subdivision 4, paragraph (a)."

Page 11, line 30, delete "the person's" and insert "an"

Page 12, lines 1, 4, 6, 10, 14, and 17, delete "the person's" and insert "an"

Page 12, line 19, delete "the person's" and insert "an" and after "employee" insert "under this section"

Page 17, line 14, delete "is not a separate agency or board and" and after "13D" insert "while discussing data classified as not public under section 13.02, subdivision 8a"

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

Senator Cwodzinski from the Committee on Education Policy, to which was referred

S.F. No. 3567: A bill for an act relating to education; modifying provisions for prekindergarten through grade 12 education including general education, education excellence, teachers, literacy, charter schools, nutrition, health and safety, early learning, and education partnerships and compacts; requiring reports; amending Minnesota Statutes 2022, sections 120A.05, subdivision 10a, by adding a subdivision; 120A.22, subdivision 12; 120A.35; 120B.022, subdivisions 1a, 1b; 120B.13, subdivision 4; 121A.41, subdivision 8; 122A.181, by adding a subdivision; 122A.182, subdivision 2, by adding a subdivision; 123B.37, subdivision 2; 124D.151, as amended; 124D.60, subdivision 1; 124D.61; 124E.05, subdivision 3; 124E.07, subdivisions 3, 8; 124E.10, subdivisions 2, 5; 124E.26; 125A.02, subdivision 1a; 125A.27, subdivision 8; 125A.56, subdivision 1; 127A.70, subdivision 1; 260E.14, subdivision 1; Minnesota Statutes 2023 Supplement, sections 13.32, subdivision 5; 120B.021, subdivision 1; 120B.024, subdivision 1; 120B.11, subdivision 2; 120B.1117; 120B.1118, subdivisions 4, 7, by adding a subdivision; 120B.117, subdivision 4; 120B.12, subdivisions 1, 2, 2a, 4; 120B.123, subdivisions 1, 2; 120B.124, subdivision 1; 120B.30, subdivisions 7, 12, by adding a subdivision; 120B.302; 120B.305; 120B.31, subdivision 4; 120B.36, subdivision 1; 121A.20, subdivision 2; 122A.092, subdivision 5; 122A.181, subdivisions 2, 2a; 122A.182, subdivision 2a; 124D.09, subdivision 5; 124D.094, subdivisions 2, 3; 124D.111, subdivision 2a; 124D.165, subdivisions 2, 2a; 124D.42, subdivision 8; 124D.98, subdivision 5; 124E.02; 124E.03, subdivision 2; 124E.06, subdivisions 1, 4, 5; 124E.12, subdivision 1; 124E.16, subdivision 1; 126C.40, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 127A; 134; repealing Minnesota Statutes 2022, section 120B.31, subdivisions 2, 6; Laws 2017, First Special Session chapter 5, article 8, section 9.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2023 Supplement, section 124D.09, subdivision 5, is amended to read:

Subd. 5. **Authorization; notification.** (a) Notwithstanding any other law to the contrary, an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled Tribal contract or grant school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that postsecondary institution.

(b) If an institution accepts a secondary pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school or school district, and the commissioner. The notice must indicate the course and hours of enrollment of that pupil. The institution must notify the pupil's school as soon as practicable if the pupil withdraws from the enrolled course. The institution must also notify the pupil's school as soon as practicable if the pupil has been absent from a course for ten consecutive days on which classes are held, based upon the postsecondary institution's academic calendar, and the pupil is not receiving instruction in their home or hospital or other facility.

(c) If the pupil enrolls in a course for postsecondary credit, the institution must notify:

(1) the pupil about payment in the customary manner used by the institution; and

(2) the pupil's school as soon as practicable if the pupil withdraws from the course or stops attending the course.

Sec. 2. Minnesota Statutes 2023 Supplement, section 124D.094, subdivision 2, is amended to read:

Subd. 2. **Digital instruction.** (a) An enrolling district may provide digital instruction, including blended instruction and online instruction, to the district's own enrolled students. Enrolling districts may establish agreements to provide digital instruction, including blended instruction and online instruction, to students enrolled in the cooperating schools.

(b) When online instruction is provided, an online teacher as defined under subdivision 1, paragraph (h), shall perform all duties of teacher of record under Minnesota Rules, part 8710.0310. Unless the commissioner grants a waiver, a teacher providing online instruction shall not instruct more than 40 students in any one online learning course or section.

(c) Students receiving online instruction full time shall be reported as enrolled in an online instructional site under subdivision 1, paragraph (g).

(d) Curriculum used for digital instruction shall be aligned with Minnesota's current academic standards and benchmarks.

(e) Digital instruction shall be accessible to students under ~~section~~ sections 504 and 508 of the federal Rehabilitation Act and Title II of the federal Americans with Disabilities Act.

(f) An enrolling district providing digital instruction and a supplemental online course provider shall assist an enrolled student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software so they may participate in digital instruction. Funds provided to a family to support digital instruction or supplemental online courses may only be used for qualifying expenses as determined by the provider. Nonconsumable materials purchased with public education funds remain the property of the provider. Records for any funds provided must be available for review by the public or the department.

(g) An enrolling district providing digital instruction shall establish and document procedures for determining attendance for membership and keep accurate records of daily attendance under section 120A.21.

Sec. 3. Minnesota Statutes 2023 Supplement, section 124D.094, subdivision 3, is amended to read:

Subd. 3. **Supplemental online courses.** (a) Notwithstanding sections 124D.03 and 124D.08 and chapter 124E, procedures for applying to take supplemental online courses other than those offered by the student's enrolling district are as provided in this subdivision.

(b) Any kindergarten through grade 12 student may apply to take a supplemental online course under subdivision 1, paragraph (j). The student, or the student's parent or guardian for a student under age 17, must submit an application for the proposed supplemental online course or courses. A student may:

(1) apply to take an online course from a supplemental online course provider that meets or exceeds the academic standards of the course in the enrolling district they are replacing;

(2) apply to take supplemental online courses for up to 50 percent of the student's scheduled course load; ~~and~~

(3) apply to take supplemental online courses no later than 15 school days after the student's enrolling district's term has begun. An enrolling district may waive the 50 percent course enrollment limit or the 15-day time limit; and

(4) enroll in additional courses with the online learning provider under a separate agreement that includes terms for paying any tuition or course fees.

(c) A student taking a supplemental online course must have the same access to the computer hardware and education software available in a school as all other students in the enrolling district.

(d) A supplemental online course provider must have a current, approved application to be listed by the Department of Education as an approved provider. The supplemental online course provider must:

(1) use an application form specified by the Department of Education;

(2) notify the student, the student's guardian if they are age 17 or younger, and enrolling district of the accepted application to take a supplemental online course within ten days of receiving a completed application;

(3) notify the enrolling district of the course title, credits to be awarded, and the start date of the online course. A supplemental online course provider must make the online course syllabus available to the enrolling district;

(4) request applicable academic support information for the student, including a copy of the IEP, EL support plan, or 504 plan; and

(5) track student attendance and monitor academic progress and communicate with the student, the student's guardian if they are age 17 or younger, and the enrolling district's designated online learning liaison.

(e) A supplemental online course provider may limit enrollment if the provider's school board or board of directors adopts by resolution specific standards for accepting and rejecting students' applications. The provisions may not discriminate against any protected class or students with disabilities.

(f) A supplemental online course provider may request that the Department of Education review an enrolling district's written decision to not accept a student's supplemental online course application. The student may participate in the supplemental online course while the application is under review. Decisions shall be final and binding for both the enrolling district and the supplemental online course provider.

(g) A supplemental online course provider must participate in continuous improvement cycles with the Department of Education.

Sec. 4. Minnesota Statutes 2023 Supplement, section 126C.40, subdivision 6, is amended to read:

Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) Special School District No. 1, Minneapolis, Independent School District No. 625, St. Paul, Independent School District No. 709, Duluth, or Independent School District No. 535, Rochester, if the district's ~~desegregation~~ achievement and integration plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and where the acquisition, as defined in section 475.51, subdivision 7, of property under this subdivision is determined approved in the form and manner prescribed by the commissioner to contribute to the implementation of the ~~desegregation~~ approved achievement and integration plan; or

(2) other districts eligible for revenue under section 124D.862 if the facility acquired under this subdivision is to be primarily used for a joint program ~~for interdistrict desegregation and the commissioner determines that the joint programs are~~ is being undertaken to implement the districts' ~~desegregation~~ approved achievement and integration plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

(g) Projects funded under this subdivision are subject to review and comment under section 123B.71, subdivision 8, in the ~~same manner as other school construction projects~~ form and manner prescribed by the commissioner.

Sec. 5. **REVISOR INSTRUCTION.**

The revisor of statutes shall remove the term "state-approved" wherever it appears in Minnesota Statutes, sections 125A.15, 125A.51, and 125A.515, for education in care and treatment facilities.

ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2023 Supplement, section 13.32, subdivision 5, is amended to read:

Subd. 5. **Directory information.** (a) Educational data designated as directory information is public data on individuals to the extent required under federal law. Directory information must be designated pursuant to the provisions of:

(1) this subdivision; and

(2) United States Code, title 20, section 1232g, and Code of Federal Regulations, title 34, section 99.37, which were in effect on January 3, 2012.

(b) When conducting the directory information designation and notice process required by federal law, an educational agency or institution shall give parents and students notice of the right to refuse to let the agency or institution designate specified data about the student as directory information. This notice may be given by any means reasonably likely to inform the parents and students of the right.

(c) An educational agency or institution may not designate a student's home address, telephone number, email address, or other personal contact information as directory information under this subdivision. This paragraph does not apply to a postsecondary institution.

(d) When requested, educational agencies or institutions must share personal student contact information and directory information, whether public or private, with the Minnesota Department of Education, as required for federal reporting purposes.

(e) When requested, educational agencies or institutions may share personal student contact information and directory information for students served in special education with postsecondary transition planning and services under section 125A.08, paragraph (b), clause (1), whether public or private, with the Department of Employment and Economic Development, as required for coordination of services to students with disabilities under sections 125A.08, paragraph (b), clause (1); 125A.023; and 125A.027.

Sec. 2. Minnesota Statutes 2022, section 120A.35, is amended to read:

120A.35 ABSENCE FROM SCHOOL FOR RELIGIOUS ~~OBSERVANCE~~ AND CULTURAL OBSERVANCES.

Reasonable efforts must be made by a school district to accommodate any pupil who wishes to be excused from a curricular activity for a religious observance or American Indian cultural practice, observance, or ceremony. A school board must provide annual notice to parents of the school district's policy relating to a pupil's absence from school for religious observance under this section.

Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** (a) The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics, encompassing algebra II, integrated mathematics III, or an equivalent in high school, and to be prepared for the three credits of mathematics in grades 9 through 12, the grade 8 standards include completion of algebra;

(3) science, including earth and space science, life science, and the physical sciences, including chemistry and physics;

(4) social studies, including history, geography, economics, and government and citizenship that includes civics;

(5) physical education;

(6) health, for which locally developed academic standards apply; and

(7) the arts. Public elementary and middle schools must offer at least three and require at least two of the following five arts areas: dance; media arts; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

(b) For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education program team has determined that the required academic standards are inappropriate. An individualized education program team that makes this determination must establish alternative standards.

~~(e) The department may modify SHAPE America (Society of Health and Physical Educators) standards and adapt the national standards to accommodate state interest. The modification and adaptations must maintain the purpose and integrity of the national standards. The department must make available sample assessments, which school districts may use as an alternative to local assessments, to assess students' mastery of the physical education standards beginning in the 2018-2019 school year.~~

~~(d)~~ (c) A school district ~~may~~ must include child physical and sexual abuse prevention instruction in a health curriculum, consistent with paragraph (a), clause (6). Child physical and sexual abuse prevention instruction ~~may~~ must include age-appropriate multisession, multimodal, culturally inclusive, developmentally appropriate, and culturally sensitive instruction on identifying emotional and physical child abuse and other forms of personal violence; recognizing sexual abuse and assault, boundary violations, and ways offenders groom or desensitize victims; as well as strategies to promote disclosure, reduce self-blame, and mobilize bystanders. A school district may provide instruction under this paragraph in a variety of ways, including at an annual assembly or classroom presentation. A school district may also provide parents information on the warning signs of child physical and sexual abuse, the medical and emotional effects of child abuse, and available resources. A school district must train instructors on managing disclosures that may result during the delivery of child physical and sexual abuse prevention instruction and develop a policy on how to respond to the disclosures.

~~(e)~~ (d) District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

EFFECTIVE DATE. Paragraph (c) is effective for the 2025-2026 school year and later.

Sec. 4. Minnesota Statutes 2022, section 120B.022, subdivision 1a, is amended to read:

Subd. 1a. **Foreign World language and culture; proficiency certificates.** (a) World languages teachers and other school staff should develop and implement world languages programs that acknowledge and reinforce the language proficiency and cultural awareness that non-English language speakers already possess, and encourage students' proficiency in multiple world languages. Programs under this section must encompass Indigenous American Indian languages and cultures, among other world languages and cultures. The department shall consult with postsecondary institutions in developing related professional development opportunities for purposes of this section.

(b) Any Minnesota public, charter, or nonpublic school may award Minnesota World Language Proficiency Certificates consistent with this subdivision.

(c) The Minnesota World Language Proficiency Certificate recognizes students who demonstrate listening, speaking, reading, and writing language skills at the American Council on the Teaching of Foreign Languages' overall Intermediate-Low level and Intermediate-Mid levels of proficiency derived from assessment consisting of the domains of listening, reading, speaking, and writing on a valid and reliable assessment tool.

Sec. 5. Minnesota Statutes 2022, section 120B.022, subdivision 1b, is amended to read:

Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph (i), and close

the academic achievement and opportunity gap under sections 124D.861 and 124D.862, voluntary state bilingual and multilingual seals are established to recognize graduating high school students in any school district, charter school, or nonpublic school who demonstrate an ~~Advanced-Low level or an intermediate-high~~ overall Intermediate-High and above level of ~~functional~~ proficiency in ~~listening, speaking, reading, and writing on either~~ derived from assessment consisting of the domains of listening, reading, speaking, and writing assessments either aligned with American Council on the Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid and reliable assessments in one or more languages in addition to English. Indigenous American Indian languages and American Sign Language is a language are languages other than English for purposes of this subdivision and a are world language languages for purposes of subdivision 1a.

(b) In addition to paragraph (a), to be eligible to receive a seal:

~~(1) students must satisfactorily complete all required English language arts credits; and,~~

~~(2) students must demonstrate mastery of Minnesota's English language proficiency standards.~~

(c) Consistent with this subdivision, a high school student who demonstrates an overall intermediate high ACTFL level of functional proficiency derived from assessment consisting of the domains of listening, reading, speaking, and writing in one language in addition to English is eligible to receive the state bilingual gold seal. A high school student who demonstrates an overall intermediate high ACTFL level of functional-native proficiency derived from assessment consisting of the domains of listening, reading, speaking, and writing in more than one language in addition to English is eligible to receive the state multilingual gold seal. A high school student who demonstrates an overall advanced-low and above ACTFL level of functional proficiency derived from assessment consisting of the domains of listening, reading, speaking, and writing in one language in addition to English is eligible to receive the state bilingual platinum seal. A high school student who demonstrates an overall advanced-low and above ACTFL level of functional proficiency derived from assessment consisting of the domains of listening, reading, speaking, and writing in more than one language in addition to English is eligible to receive the state multilingual platinum seal.

(d) School districts and charter schools may give students periodic opportunities to demonstrate their level of proficiency in listening, speaking, reading, and writing in a language in addition to English. Where valid and reliable assessments are unavailable, a school district or charter school may rely on evaluators trained in assessing under ACTFL proficiency guidelines to assess a student's level of ~~foreign, heritage, or Indigenous non-English~~ language proficiency under this section. School districts and charter schools must maintain appropriate records to identify high school students eligible to receive the state bilingual or multilingual gold and platinum seals upon graduation. The school district or charter school must ~~affix~~ notate the appropriate seal to the transcript of each high school student who meets the requirements of this subdivision and may affix the seal to the student's diploma. A school district or charter school must not charge the high school student a fee for this seal.

(e) A school district or charter school may award elective course credits in world languages to a student who demonstrates the requisite proficiency in a language other than English under this section.

(f) A school district or charter school may award community service credit to a student who demonstrates an ~~intermediate high or advanced low~~ overall intermediate high and above ACTFL level of ~~functional proficiency in listening, speaking, reading, and writing~~ derived from assessment consisting of the domains of listening, reading, speaking, and writing in a language other than English and who participates in community service activities that are integrated into the curriculum, involve the participation of teachers, and support biliteracy in the school or local community.

(g) The commissioner must list on the web page those assessments that are aligned to ACTFL proficiency guidelines, and establish guidelines on interpreting the scores or ratings from approved assessments.

(h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges and Universities system must establish criteria to translate the seals into college credits based on the world language course equivalencies identified by the Minnesota State Colleges and Universities faculty and staff and, upon request from an enrolled student, the Minnesota State Colleges and Universities may award foreign language credits to a student who ~~receives~~ received a Minnesota World Language Proficiency Certificate or Minnesota Bilingual or Multilingual Seals under subdivision 1a. A student who demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution must request college credits for the student's seal or proficiency certificate within three academic years after graduating from high school. The University of Minnesota is encouraged to award students foreign language academic credits consistent with this paragraph.

Sec. 6. Minnesota Statutes 2023 Supplement, section 120B.024, subdivision 1, is amended to read:

Subdivision 1. **Graduation requirements.** (a) Students must successfully complete the following high school level credits for graduation:

(1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;

(2) three credits of mathematics sufficient to satisfy all of the academic standards in mathematics;

(3) three credits of science, including one credit to satisfy all the earth and space science standards for grades 9 through 12, one credit to satisfy all the life science standards for grades 9 through 12, and one credit to satisfy all the chemistry or physics standards for grades 9 through 12;

(4) three and one-half credits of social studies, including credit for a course in government and citizenship in either grade 11 or 12 for students beginning grade 9 in the ~~2024-2025~~ 2025-2026 school year and later or an advanced placement, international baccalaureate, or other rigorous course on government and citizenship under section 120B.021, subdivision 1a, and a combination of other credits encompassing at least United States history, geography, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;

(5) one credit of the arts sufficient to satisfy all of the academic standards in the arts;

(6) ~~credits~~ credit sufficient to satisfy the state standards in physical education; and

(7) a minimum of seven elective credits.

(b) Students who begin grade 9 in the 2024-2025 school year and later must successfully complete a course for credit in personal finance in grade 10, 11, or 12. A teacher of a personal finance course that satisfies the graduation requirement must have a field license or out-of-field permission in agricultural education, business, family and consumer science, social studies, or math.

Sec. 7. Minnesota Statutes 2022, section 120B.11, is amended by adding a subdivision to read:

Subd. 2a. **Language Access Plan.** (a) Starting in the 2025-2026 school year, during a regularly scheduled public board hearing, a district must adopt a language access plan that specifies the district's process and procedures to render effective language assistance to students and adults who communicate in a language other than English. The language access plan must be available to the public and included in the parent and student handbook.

(b) The language access plan must include information on:

(1) how the district and its schools will use trained or certified spoken language interpreters for communication related to academic outcomes, progress, and determinations and placement of students in specialized programs and services;

(2) how families and communities will be notified of their rights under this plan; and

(3) a language access continuous improvement plan for leadership and staff.

Sec. 8. Minnesota Statutes 2022, section 120B.13, subdivision 4, is amended to read:

Subd. 4. **Rigorous course taking information; AP, IB, and PSEO.** The commissioner shall submit the following information on rigorous course taking, disaggregated by student subgroup, school district, and postsecondary institution, to the education committees of the legislature by July 1, 2025, and each subsequent year by February 1:

(1) the number of pupils enrolled in postsecondary enrollment options under section 124D.09, including concurrent enrollment, career and technical education courses offered as a concurrent enrollment course, advanced placement, and international baccalaureate courses in each school district;

(2) the number of teachers in each district attending training programs offered by the college board, International Baccalaureate North America, Inc., or Minnesota concurrent enrollment programs;

(3) the number of teachers in each district participating in support programs;

(4) recent trends in the field of postsecondary enrollment options under section 124D.09, including concurrent enrollment, advanced placement, and international baccalaureate programs;

(5) expenditures for each category in this section and under sections 124D.09 and 124D.091, including career and technical education courses offered as a concurrent enrollment course; and

(6) other recommendations for the state program or the postsecondary enrollment options under section 124D.09, including concurrent enrollment.

Sec. 9. Minnesota Statutes 2022, section 120B.234, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The purpose of this section, which may be cited as "Erin's Law," is to ~~encourage~~ require districts to integrate or offer instruction on child sexual abuse prevention to students and training to all school personnel on recognizing and preventing sexual abuse and sexual violence.

EFFECTIVE DATE. This section is effective for the 2025-2026 school year and later.

Sec. 10. Minnesota Statutes 2022, section 120B.234, subdivision 2, is amended to read:

Subd. 2. **Curriculum.** School districts may consult with other federal, state, or local agencies and community-based organizations, ~~including the Child Welfare Information Gateway website maintained by the United States Department of Health and Human Services,~~ to identify research-based tools, curricula, and programs to prevent child sexual abuse for use under section 120B.021, subdivision 1, paragraph ~~(d)~~ (c).

EFFECTIVE DATE. This section is effective for the 2025-2026 school year and later.

Sec. 11. Minnesota Statutes 2023 Supplement, section 120B.30, subdivision 7, is amended to read:

Subd. 7. **Assessments.** A student who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on high school assessments under ~~subdivision 1a~~ section 120B.302 is academically ready for a career or college and is encouraged to participate in courses awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

Sec. 12. Minnesota Statutes 2023 Supplement, section 120B.30, subdivision 12, is amended to read:

Subd. 12. **Test administration.** ~~(a) Consistent with applicable federal law, the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.~~

~~(b)~~ (a) The Department of Education shall contract for professional and technical services according to competitive solicitation procedures under chapter 16C for purposes of this section.

~~(c)~~ (b) A proposal submitted under this section must include disclosures containing:

(1) comprehensive information regarding test administration monitoring practices; and

(2) data privacy safeguards for student information to be transmitted to or used by the proposing entity.

~~(d)~~ (c) Information provided in the proposal is not security information or trade secret information for purposes of section 13.37.

Sec. 13. Minnesota Statutes 2023 Supplement, section 120B.30, is amended by adding a subdivision to read:

Subd. 17. **Retaliation prohibited.** An employee who discloses information to the commissioner or a parent or guardian about service disruptions or technical interruptions related to administering assessments under this section is protected under section 181.932, governing disclosure of information by employees.

Sec. 14. Minnesota Statutes 2023 Supplement, section 120B.302, is amended to read:

120B.302 GENERAL REQUIREMENTS; TEST DESIGN.

Subdivision 1. **Definitions.** For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, a high school writing test aligned with state standards when it becomes available, and science assessments ~~under clause (2)~~ that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must:

(1) not develop statewide assessments for academic standards in social studies, health and physical education, and the arts; ~~The commissioner must require;~~ and

~~(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading, writing, and mathematics tests; and~~

(2) require annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.

Subd. 2. **Comprehensive assessment system.** The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, ~~consistent with subdivision 1a, must include state-developed tests in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple-choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner must establish a testing period as late as possible each school year during which schools must administer the Minnesota Comprehensive Assessments to students. The commissioner must publish the testing schedule at least two years before the beginning of the testing period.~~

Subd. 3. **Aligned to academic standards.** ~~(a) The state assessment system must be aligned to the most recent revision of academic standards as described in section 120B.023 in the following manner:~~

~~(1) mathematics;~~

- (i) ~~grades 3 through 8 beginning in the 2010-2011 school year; and~~
- (ii) ~~high school level beginning in the 2013-2014 school year;~~
- (2) ~~science; grades 5 and 8 and at the high school level beginning in the 2011-2012 school year;~~
~~and~~
- (3) ~~language arts and reading; grades 3 through 8 and high school level beginning in the 2012-2013 school year.~~

~~(b) The grades 3 through 8 computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner must determine the testing process and the order of administration. The statewide results must be aggregated at the site and district level, consistent with subdivision 1a.~~

~~(c) The commissioner must ensure that for annual computer-adaptive assessments:~~

~~(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;~~

~~(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;~~

~~(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and~~

~~(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.~~

~~(d) (a) The commissioner must ensure that all state tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.~~

(b) A school, school district, and charter school must administer statewide assessments under this section as the assessments become available to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course or place a student's assessment score on the student's transcript.

Sec. 15. Minnesota Statutes 2023 Supplement, section 120B.305, is amended to read:

120B.305 ASSESSMENT REPORTING REQUIREMENTS.

Subdivision 1. Reporting requirements. ~~A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate~~

~~student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.~~

Subd. 2. **Computer adaptive assessments Reporting requirements.** (a) Reporting of state assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a growth indicator of student achievement; and

(3) determine whether students have met the state's academic standards.

(b) ~~The 3rd through 8th grade computer adaptive assessment results and high school test results must be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must ensure that for annual computer-adaptive assessments:~~

(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;

(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;

(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and

(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.

(c) The commissioner, in consultation with the chancellor of the Minnesota State Colleges and Universities, must establish empirically derived benchmarks on the high school tests that reveal a trajectory toward career and college readiness consistent with section 136F.302, subdivision 1a. The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

Subd. 3. **Public reporting.** (a) The commissioner must include the following components in the statewide public reporting system:

(1) uniform statewide computer-adaptive assessments of all students in grades 3 through 8 and testing at the high school levels that provides appropriate, technically sound accommodations or alternate assessments;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including consistent attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the ACT test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

(b) The commissioner shall report test results publicly and to stakeholders, including the performance achievement levels developed from students' unweighted test scores in each tested subject and a listing of demographic factors that strongly correlate with student performance, including student homelessness, as data are available, among other factors. The test results must not include personally identifiable information as defined in Code of Federal Regulations, title 34, section 99.3. ~~The commissioner shall also report data that compares performance results among school sites, school districts, Minnesota and other states, and Minnesota and other nations.~~ The commissioner shall disseminate to schools and school districts a more comprehensive report containing testing information that meets local needs for evaluating instruction and curriculum. The commissioner shall disseminate to charter school authorizers a more comprehensive report containing testing information that contains anonymized data where cell count data are sufficient to protect student identity and that meets the authorizer's needs in fulfilling its obligations under chapter 124E.

~~(e) The grades 3 through 8 computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner must determine the testing process and the order of administration. The statewide results must be aggregated at the site and district level, consistent with subdivision 1a.~~

Sec. 16. Minnesota Statutes 2023 Supplement, section 120B.31, subdivision 4, is amended to read:

Subd. 4. **Student performance data.** In developing policies and assessment processes to hold schools and districts accountable for high levels of academic standards under section 120B.021, the commissioner shall ~~aggregate and disaggregate student data over time to report summary student performance and growth levels and, under section 120B.11, subdivision 2, clause (2), student learning and outcome data measured at the school, school district, and statewide level. The commissioner shall~~ use the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and student categories of:

(1) homelessness;

(2) ethnicity under section 120B.35, subdivision 3, paragraph (a), clause (2);

(3) race under section 120B.35, subdivision 3, paragraph (a), clause (2);

(4) home language;

(5) English learners under section 124D.59;

(6) free or reduced-price meals; and

(7) other categories designated by federal law to organize and report the data so that state and local policy makers can understand the educational implications of changes in districts' demographic profiles over time as data are available.

Any report the commissioner disseminates containing summary data on student performance must integrate student performance and the demographic factors that strongly correlate with that performance.

Sec. 17. Minnesota Statutes 2023 Supplement, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance reports and public reporting.** (a) The commissioner shall report:

(1) student academic performance data under section 120B.35, subdivisions 2 and 3;

(2) academic progress consistent with federal expectations;

(3) school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d);

(4) rigorous coursework under section 120B.35, subdivision 3, paragraph (c);

(5) the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and college readiness benchmarks under sections 120B.307 and 120B.35, subdivision 3, paragraph (e);

(6) longitudinal data on the progress of eligible districts in reducing disparities in students' academic achievement and realizing racial and economic integration under section 124D.861;

(7) the acquisition of English, and where practicable, native language academic literacy, including oral academic language, and the academic progress of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as English learners under section 124D.59;

(8) two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios;

(9) staff characteristics excluding salaries;

(10) student enrollment demographics;

(11) foster care status, including all students enrolled in a Minnesota public school course or program who are currently or were previously in foster care, student homelessness, and district mobility; and

(12) extracurricular activities.

(b) The school performance report for a school site and a school district must include school performance reporting information and calculate proficiency rates as required by the most recently reauthorized Elementary and Secondary Education Act.

(c) The commissioner shall develop, annually update, and post on the department website school performance reports consistent with paragraph (a) and section 120B.11.

(d) The commissioner must make available performance reports by the beginning of each school year.

(e) A school or district may appeal its results in a form and manner determined by the commissioner and consistent with federal law. The commissioner's decision to uphold or deny an appeal is final.

(f) School performance data are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data. The commissioner shall annually post school performance reports to the department's public website no later than ~~September 1, except that in years when the reports reflect new performance standards, the commissioner shall post the school performance reports no later than October~~ December 1.

Sec. 18. **[121A.08] SMUDGING PERMITTED.**

An American Indian student or staff member may use tobacco, sage, sweetgrass, and cedar to conduct individual or group smudging in a public school. The process for conducting smudging is determined by the building or site administrator. Smudging must be conducted under the direct supervision of an appropriate staff member, as determined by the building or site administrator.

Sec. 19. Minnesota Statutes 2023 Supplement, section 121A.642, is amended by adding a subdivision to read:

Subd. 3. **Consultation.** A school district or charter school must consult the exclusive representative for employees receiving this training before creating or planning the training required under this section.

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

Sec. 20. **[121A.80] STUDENT JOURNALISM; STUDENT EXPRESSION.**

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

(b) "School-sponsored media" means material that is:

(1) prepared, wholly or substantially written, published, broadcast, or otherwise disseminated by a student journalist enrolled in a school district or charter school;

(2) distributed or generally made available to students in the school; and

(3) prepared by a student journalist under the supervision of a student media adviser.

School-sponsored media does not include material prepared solely for distribution or transmission in the classroom in which the material is produced, or a yearbook.

(c) "School official" means a school principal under section 123B.147 or other person having administrative control or supervision of a school.

(d) "Student journalist" means a school district or charter school student in grades 6 through 12 who gathers, compiles, writes, edits, photographs, records, or otherwise prepares information for dissemination in school-sponsored media.

(e) "Student media adviser" means a qualified teacher, as defined in section 122A.16, that a school district or charter school employs, appoints, or designates to supervise student journalists or provide instruction relating to school-sponsored media.

Subd. 2. **Student journalists; protected conduct.** (a) Except as provided in subdivision 3, a student journalist has the right to exercise freedom of speech and freedom of the press in school-sponsored media regardless of whether the school-sponsored media receives financial support from the school or district, uses school equipment or facilities in its production, or is produced as part of a class or course in which the student journalist is enrolled. Freedom of speech includes freedom to express political viewpoints. Consistent with subdivision 3, a student journalist has the right to determine the news, opinion, feature, and advertising content of school-sponsored media. A school district or charter school must not discipline a student journalist for exercising rights or freedoms under this paragraph or the First Amendment of the United States Constitution.

(b) A school district or charter school must not retaliate or take adverse employment action against a student media adviser for supporting a student journalist exercising rights or freedoms under paragraph (a) or the First Amendment of the United States Constitution.

(c) Notwithstanding the rights or freedoms of this subdivision or the First Amendment of the United States Constitution, nothing in this section inhibits a student media adviser from teaching professional standards of English and journalism to student journalists.

Subd. 3. **Unprotected expression.** (a) This section does not authorize or protect student expression that:

(1) is defamatory;

(2) is profane, harassing, threatening, or intimidating;

(3) constitutes an unwarranted invasion of privacy;

(4) violates federal or state law;

(5) causes a material and substantial disruption of school activities; or

(6) is directed to inciting or producing imminent lawless action on school premises or the violation of lawful school policies or rules, including a policy adopted in accordance with section 121A.03 or 121A.031.

(b) Nothing in this section authorizes the publication of an advertisement by school-sponsored media that promotes the purchase of a product or service that is unlawful for purchase or use by minors.

(c) A school or district must not authorize any prior restraint of school-sponsored media except under this subdivision.

Subd. 4. **Student journalist policy.** School districts and charter schools must adopt and post on the district or charter school website a student journalist policy consistent with this section.

EFFECTIVE DATE. This section is effective for the 2024-2025 school year and later.

Sec. 21. Minnesota Statutes 2022, section 123B.09, subdivision 10, is amended to read:

Subd. 10. **Publishing proceedings.** The board must cause its official proceedings to be published once in the official newspaper of the district or official district website. Such publication shall be made within 30 days of the meeting at which such proceedings occurred. If the board determines that publication of a summary of the proceedings would adequately inform the public of the substance of the proceedings, the board may direct that only a summary be published, conforming to the requirements of section 331A.01, subdivision 10.

Sec. 22. Minnesota Statutes 2022, section 123B.37, subdivision 2, is amended to read:

Subd. 2. **Boards shall not withhold grades or diplomas for nonpayment of student fees.** No pupil's rights or privileges, including the receipt of grades or diplomas may be denied or abridged for nonpayment of fees; but this provision does not prohibit a district from maintaining any action provided by law for the collection of fees authorized by sections 123B.36 and 123B.38. This provision applies to all Minnesota district school boards, charter school boards, and Tribal contract schools.

Sec. 23. Minnesota Statutes 2022, section 124D.60, subdivision 1, is amended to read:

Subdivision 1. **Notice.** Within ~~ten~~ 30 calendar days after the ~~enrollment of any pupil in an instructional program for English learners~~ beginning of the school year, the district or charter school in which the ~~pupil resides~~ English learner identified for participation in an instructional program for English learners is enrolled must notify ~~the parent by mail~~ their parents. For those children who have not been identified as English learners prior to the beginning of the school year but are identified as English learners during that school year, the district or charter school shall notify the children's parents during the first two weeks of the child being placed in a language instruction educational program. This notice must:

- (1) be in writing in English and in the primary language of the pupil's parents;
- (2) inform the parents that their child has been enrolled in an instructional program for English learners;
- (3) contain a simple, nontechnical description of the purposes, method and content of the program;
- (4) inform the parents that they have the right to visit the educational program for English learners in which their child is enrolled;

(5) inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and

(6) inform the parents of their rights to withdraw their child from an educational program for English learners and the time and manner in which to do so.

The department shall, at the request of the district, prepare the notice in the primary language of the parent.

Sec. 24. Minnesota Statutes 2022, section 124D.61, is amended to read:

124D.61 GENERAL REQUIREMENTS FOR PROGRAMS.

A district that enrolls one or more English learners must implement an educational program that includes at a minimum the following requirements:

(1) identification and reclassification criteria for English learners and program entrance and exit criteria for English learners must be documented by the district, applied uniformly to English learners, and made available to parents and other stakeholders upon request;

(2) language development instruction that is designed to effectively increase the language proficiency of English learners and that addresses Minnesota's English language development standards under Minnesota Rules, parts 3501.1200 and 3501.1210;

~~(2)~~ (3) a written plan of services that describes programming by English proficiency level made available to parents upon request. The plan must articulate the amount and scope of service offered to English learners through an educational program for English learners;

~~(3)~~ (4) professional development opportunities for ESL, bilingual education, mainstream, and all staff working with English learners which are: (i) coordinated with the district's professional development activities; (ii) related to the needs of English learners; and (iii) ongoing;

~~(4)~~ (5) to the extent possible, avoid isolating English learners for a substantial part of the school day; and

~~(5)~~ (6) in predominantly nonverbal subjects, such as art, music, and physical education, permit English learners to participate fully and on an equal basis with their contemporaries in public school classes provided for these subjects. To the extent possible, the district must assure to pupils enrolled in a program for English learners an equal and meaningful opportunity to participate fully with other pupils in all extracurricular activities.

Sec. 25. **REPEALER.**

Minnesota Statutes 2022, section 120B.31, subdivisions 2 and 6, are repealed.

ARTICLE 3**TEACHERS**

Section 1. Minnesota Statutes 2023 Supplement, section 120B.117, subdivision 4, is amended to read:

Subd. 4. **Reporting.** ~~Beginning in 2024 and every even-numbered year thereafter,~~ The Professional Educator Licensing and Standards Board must collaborate with the Department of Education and the Office of Higher Education to publish a summary report of each of the programs they administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.59, 122A.63, 122A.635, 122A.70, 122A.73, 124D.09, 124D.861, 136A.1274, 136A.1276, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. The board must, in coordination with the Office of Higher Education and Department of Education, provide policy and funding recommendations related to state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must include recommendations for state policy and funding needed to achieve the goals of this section, plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The 2024 initial report must also include a recommendation of whether a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the Indian Affairs Council and other ethnic councils along with other community partners, including students of color and American Indian students, in developing the report. ~~By November 3 of each odd-numbered year,~~ The board must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance by November 3, 2025, and each odd-numbered year thereafter. The report must be available to the public on the board's website.

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

Sec. 2. Minnesota Statutes 2022, section 122A.091, subdivision 5, is amended to read:

Subd. 5. **Survey of districts Supply and demand report.** ~~(a)~~ The Professional Educator Licensing and Standards Board must ~~survey the state's school districts and teacher preparation programs and~~ submit a report to the education committees of the legislature by ~~February 1, 2019, and each odd-numbered~~ November 1, 2025, and each odd-numbered year thereafter, on the status of teacher early supply and demand of teachers. The report must be made available on the board's website. The report must include data regarding:

(1) retirement patterns, the access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school;

(2) teacher licensure;

(3) teacher diversity, including whether the state's teacher workforce reflects the diversity of the state's student population;

(4) the teacher shortage, and the substitute teacher shortage, including patterns and shortages in licensure field areas and the economic development regions of the state;

(5) survey data from school districts and teacher preparation programs; and

~~(b) The report must also include:~~

~~(1) aggregate data on teachers' self-reported race and ethnicity;~~

~~(2) data on how~~ (6) whether districts are making progress in hiring teachers and substitute teachers in the areas of shortage; ~~and.~~

~~(3) a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.~~

Sec. 3. Minnesota Statutes 2023 Supplement, section 122A.18, subdivision 1, is amended to read:

Subdivision 1. **Authority to license.** (a) The Professional Educator Licensing and Standards Board must issue the following teacher licenses to applicants who meet the qualifications prescribed by this chapter:

(1) Tier 1 license under section 122A.181;

(2) Tier 2 license under section 122A.182;

(3) Tier 3 license under section 122A.183; and

(4) Tier 4 license under section 122A.184.

(b) The Board of School Administrators must license supervisory personnel as defined in section 122A.15, subdivision 2, except for athletic coaches.

(c) The Board of School Administrators is responsible for issuing licenses under its jurisdiction after June 30, 2025.

~~(e)~~ (d) The Professional Educator Licensing and Standards Board and the Department of Education must enter into a data sharing agreement to share:

(1) educational data at the E-12 level for the limited purpose of program approval and improvement for teacher education programs. The program approval process must include targeted redesign of teacher preparation programs to address identified E-12 student areas of concern; and

(2) data in the staff automated reporting system for the limited purpose of managing and processing funding to school districts and other entities. The board has authority to collect nonlicensed staff data on behalf of the Department of Education, which is responsible for managing said data.

~~(d)~~ (e) The Board of School Administrators and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for education administration programs. The program approval process must include targeted redesign of education administration preparation programs to address identified E-12 student areas of concern.

~~(e)~~ (f) For purposes of the data sharing agreements under paragraphs ~~(e)~~(d) and ~~(d)~~(e), the Professional Educator Licensing and Standards Board, Board of School Administrators, and Department of Education may share private data, as defined in section 13.02, subdivision 12, on teachers and school administrators. The data sharing agreements must not include educational data, as defined in section 13.32, subdivision 1, but may include summary data, as defined in section 13.02, subdivision 19, derived from educational data.

Sec. 4. Minnesota Statutes 2022, section 122A.181, is amended by adding a subdivision to read:

Subd. 1a. **Special education requirements.** The Professional Educator Licensing and Standards Board must approve an application for a Tier 1 special education license if:

(1) the application meets all the requirements under subdivision 1;

(2) the applicant receives high-quality professional development that is sustained, intensive, and classroom focused in order to have a positive and lasting impact on classroom instruction, before and while teaching;

(3) the applicant participates in a program of intensive supervision that consists of structured guidance and regular ongoing support for teachers or a teacher mentoring program;

(4) the applicant assumes the functions as a teacher only for a specified period of time not to exceed three years; and

(5) the applicant demonstrates satisfactory progress toward professional licensure.

Sec. 5. Minnesota Statutes 2023 Supplement, section 122A.181, subdivision 2, is amended to read:

Subd. 2. **Professional requirements.** (a) An applicant for a Tier 1 license described in subdivision 1 or 1a must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study, unless the applicant meets an exemption identified in subdivision 2a.

~~(b) An applicant for a Tier 1 license must have one of the following credentials in a relevant content area to teach a class in a career and technical education or career pathways course of study:~~

~~(1) an associate's degree;~~

~~(2) a professional certification; or~~

~~(3) five years of relevant work experience.~~

Sec. 6. Minnesota Statutes 2022, section 122A.182, is amended by adding a subdivision to read:

Subd. 1a. **Special education requirements.** The Professional Educator Licensing and Standards Board must approve an application for a Tier 2 license in a special education field if:

- (1) the application meets all the requirements under subdivision 1;
- (2) the applicant receives high-quality professional development that is sustained, intensive, and classroom focused in order to have a positive and lasting impact on classroom instruction, before and while teaching;
- (3) the applicant participates in a program of intensive supervision that consists of structured guidance and regular ongoing support for teachers or a teacher mentoring program; and
- (4) the applicant demonstrates satisfactory progress toward professional licensure.

Sec. 7. Minnesota Statutes 2023 Supplement, section 122A.183, subdivision 2, is amended to read:

Subd. 2. **Coursework.** An applicant for a Tier 3 license must meet the coursework requirement by demonstrating one of the following:

- (1) completion of a Minnesota-approved teacher preparation program;
- (2) completion of a state-approved teacher preparation program that includes field-specific student teaching equivalent to field-specific student teaching in Minnesota-approved teacher preparation programs. The field-specific student teaching requirement does not apply to an applicant that has two years of field-specific teaching experience;
- (3) ~~submission of a content-specific~~ a recommendation for licensure through the licensure via portfolio process;
- (4) a professional teaching license from another state, evidence that the applicant's license is in good standing, and two years of field-specific teaching experience; or
- (5) three years of teaching experience under a Tier 2 license and evidence of summative teacher evaluations that did not result in placing or otherwise keeping the teacher on an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Sec. 8. Minnesota Statutes 2023 Supplement, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to an applicant who provides information sufficient to demonstrate all of the following:

- (1) the applicant meets all requirements for a Tier 3 license under section 122A.183, and: (i) has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2); (ii) obtained licensure through the licensure via portfolio process under section 122A.183, subdivision 2, clause (3); or (iii) holds national board certification from the National Board for Professional Teaching Standards;

(2) the applicant has at least three years of field-specific teaching experience as a teacher of record;

(3) the applicant has obtained a passing score on all required licensure exams under section 122A.185; and

(4) if the applicant previously held a Tier 3 license under section 122A.183, the applicant has completed the renewal requirements in section 122A.187.

Sec. 9. Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** (a) The board must adopt rules requiring applicants for Tier 3 and Tier 4 licenses to pass an examination or performance assessment of general pedagogical knowledge and examinations or assessments of licensure field specific content. An applicant is exempt from the examination requirements if the applicant ~~completed~~:

(1) completed a board-approved teacher preparation program;

(2) completed licensure via portfolio pursuant to section 122A.18, subdivision 10, and the portfolio has been ~~approved~~ recommended; ~~or~~

(3) obtained national board certification from the National Board for Professional Teaching Standards; or

~~(3)~~ (4) completed a state-approved teacher preparation program in another state and passed licensure examinations in that state, if applicable. The content examination requirement does not apply if no relevant content exam exists.

(b) All testing centers in the state must provide monthly opportunities for untimed content and pedagogy examinations. These opportunities must be advertised on the test registration website. The board must require the exam vendor to provide other equitable opportunities to pass exams, including: (1) waiving testing fees for test takers who qualify for federal grants; (2) providing free, multiple, full-length practice tests for each exam and free, comprehensive study guides on the test registration website; (3) making content and pedagogy exams available in languages other than English for teachers seeking licensure to teach in language immersion programs; and (4) providing free, detailed exam results analysis by test objective to assist applicants who do not pass an exam in identifying areas for improvement. Any applicant who has not passed a required exam after two attempts must be allowed to retake the exam, including new versions of the exam, without being charged an additional fee.

Sec. 10. Minnesota Statutes 2022, section 122A.185, subdivision 3, is amended to read:

Subd. 3. **Testing accommodations.** The board and the entity administering the content, ~~and pedagogy, and skills~~ examinations must allow any individual who produces documentation of a disability in the form of an evaluation, 504 plan, or individual education program (IEP) to receive the same testing accommodations on the content, ~~and pedagogy, and skills~~ examinations that the applicant received during the applicant's secondary or postsecondary education.

Sec. 11. Minnesota Statutes 2022, section 122A.20, is amended by adding a subdivision to read:

Subd. 4. Prohibition on teaching assignment. A school district or charter school may not place a teacher in a teaching assignment if the teacher has been criminally charged in state or federal court with any of the offenses listed in subdivision 1, paragraph (b), or is charged with any other offense not listed in this section that requires the person to register as a predatory offender under section 243.166, or a crime under a similar law of another state or the United States.

Sec. 12. Minnesota Statutes 2023 Supplement, section 122A.40, subdivision 8, is amended to read:

Subd. 8. Development, evaluation, and peer coaching for continuing contract teachers. (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices, improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 5;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;

(3) must include a rubric of performance standards for teacher practice that: (i) is based on ~~professional teaching standards established in rule~~ the standards of effective practice in Minnesota Rules, part 8710.2000; (ii) includes culturally responsive methodologies; and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and

who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of content areas of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) to (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 13. Minnesota Statutes 2023 Supplement, section 122A.41, subdivision 5, is amended to read:

Subd. 5. Development, evaluation, and peer coaching for continuing contract teachers. (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

(3) must include a rubric of performance standards for teacher practice that: (i) is based on ~~professional teaching standards established in rule~~ the standards of effective practice in Minnesota Rules, part 8710.2000; (ii) includes culturally responsive methodologies; and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) to (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a)

for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 14. Minnesota Statutes 2023 Supplement, section 122A.631, subdivision 2, is amended to read:

Subd. 2. **Definition.** "Heritage language and culture ~~teachers~~ teacher" means ~~teachers~~ a teacher with a familial connection to a their community's language and culture, who ~~use~~ is proficient in the language and engaged in the culture, and uses this connection to support students as they learn academic content or, become proficient in the language, and engage with the culture of that particular community. For the purposes of this section, a heritage language and culture teacher of American Sign Language is a teacher with a childhood connection to American Sign Language and whose primary language is American Sign Language.

Sec. 15. Minnesota Statutes 2023 Supplement, section 122A.631, subdivision 4, is amended to read:

Subd. 4. **Heritage language and culture teacher licensure pathway program.** (a) The Professional Educator Licensing and Standards Board shall develop a program to support initial and additional licensure for heritage language and culture teachers, prioritizing the participation of heritage language and culture teachers whose own heritage language is within the most common languages spoken by Minnesota students, as indicated by the Department of Education report on primary home languages, and for which there is a licensure scarcity. The program must include:

- (1) a yearlong mentorship program;
- (2) monthly meetings where applicants receive guidance on completing the portfolio process from a portfolio liaison, dedicated specifically to facilitating this program;
- (3) a stipend to cover substitute teachers when meetings take place during the school day;

(4) a waiver for all portfolio and licensure testing fees; and

(5) a portfolio review committee created by the board.

(b) For applicants seeking an initial license in a world language and culture, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000, and content-specific pedagogical standards in Minnesota Rules, part 8710.4950, through the portfolio process.

(c) For applicants seeking a dual license, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000, content-specific pedagogical standards in Minnesota Rules, part 8710.4950, and all standards for the chosen dual license through the portfolio process.

(d) For applicants seeking an additional license in a world language and culture, the applicant must demonstrate meeting the content-specific pedagogical standards in Minnesota Rules, part 8710.4950.

Sec. 16. Minnesota Statutes 2023 Supplement, section 122A.70, subdivision 2, is amended to read:

Subd. 2. **Board grants.** The Professional Educator Licensing and Standards Board must make grant application forms available to sites interested in developing, sustaining, or expanding a mentorship program. A school district or group of school districts, a Tribal contract school or group of schools, a coalition of districts, teachers, and teacher education institutions, a school or coalition of schools, or a coalition of teachers may apply for a program grant. A higher education institution or nonprofit organization may partner with a grant applicant but is not eligible as a sole applicant for grant funds. The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Sec. 17. **REPEALER.**

(a) Minnesota Statutes 2022, section 122A.2451, subdivision 9, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 4, is repealed.

ARTICLE 4

READ ACT

Section 1. Minnesota Statutes 2023 Supplement, section 120B.1117, is amended to read:

120B.1117 TITLE; THE READ ACT.

Sections ~~120B.1117~~ 120B.118 to 120B.124 may be cited as the "Reading to Ensure Academic Development Act" or the "Read Act."

Sec. 2. Minnesota Statutes 2023 Supplement, section 120B.1118, subdivision 4, is amended to read:

Subd. 4. **Evidence-based.** "Evidence-based" means the instruction or item described is based on reliable, trustworthy, and valid evidence and has demonstrated a record of success in increasing students' reading competency in the areas of phonological and phonemic awareness, phonics, vocabulary development, reading fluency, and reading comprehension. Evidence-based literacy instruction is explicit, systematic, and includes phonological and phonemic awareness, phonics and decoding, word study, spelling, fluency, vocabulary, oral language, and comprehension that can be differentiated to meet the needs of individual students. Evidence-based instruction does not include the three-cueing system, as defined in subdivision 16.

Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.1118, subdivision 7, is amended to read:

Subd. 7. **Literacy specialist.** "Literacy specialist" means a person licensed by the Professional Educator Licensing and Standards Board as a teacher of reading, a special education teacher, or a kindergarten through grade 6 teacher, who has completed professional development approved by the Department of Education in structured literacy. ~~A literacy specialist employed by the department under section 120B.123, subdivision 7, or by a district as a literacy lead, is not required to complete the approved training before August 30, 2025.~~

Sec. 4. Minnesota Statutes 2023 Supplement, section 120B.1118, subdivision 10, is amended to read:

Subd. 10. **Oral language.** "Oral language," also called "spoken language," includes speaking and listening, and consists of five components: phonology, morphology, syntax, semantics, and pragmatics. Oral language also includes sign language, in which speaking and listening are defined as expressive and receptive skills, and consists of phonology, including sign language phonological awareness; morphology; syntax; semantics; and pragmatics.

Sec. 5. Minnesota Statutes 2023 Supplement, section 120B.1118, is amended by adding a subdivision to read:

Subd. 18. **Word study.** "Word study" includes instruction in word analysis or syllables, structural analysis or morphemes, and etymology.

Sec. 6. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 1, is amended to read:

Subdivision 1. **Literacy goal.** (a) The legislature seeks to have every child reading at or above grade level every year, beginning in kindergarten, and to support multilingual learners and students receiving special education services in achieving their individualized reading goals in order to meet grade level proficiency. By the 2026-2027 school year, districts must provide evidence-based reading instruction through a focus on student mastery of the foundational reading skills of phonemic awareness, phonics, and fluency, as well as the development of oral language, vocabulary, and

reading comprehension skills. Students must receive evidence-based instruction that is proven to effectively teach children to read, consistent with sections ~~120B.111~~ 120B.118 to 120B.124.

(b) To meet this goal, each district must provide teachers and instructional support staff with responsibility for teaching reading with training on evidence-based reading instruction that is approved by the Department of Education by the deadlines provided in this subdivision. The commissioner may grant a district an extension to the deadlines in this paragraph. Beginning July 1, 2024, a district must provide access to the training required under section 120B.123, subdivision 5, to:

(1) reading intervention teachers working with students in kindergarten through grade 12;

(2) all classroom teachers of students in kindergarten through grade 3 and children in prekindergarten programs;

(3) special education teachers;

(4) curriculum directors; and

~~(5) instructional support staff who provide reading instruction; and~~

~~(6)~~ (5) employees who select literacy instructional materials for a district.

~~(e) All other teachers and instructional staff required to receive training under the Read Act must complete the training no later than July 1, 2027.~~

(c) The following teachers and instructional staff must complete the training required under the Read Act by July 1, 2027:

(1) teachers who provide reading instruction to students in grades 4 through 12;

(2) teachers of multilingual students; and

(3) teachers who provide instruction to students who qualify for the graduation incentives program under section 124D.68.

(d) A teacher who has completed the training required under paragraph (b) or (c) within the last five years does not need to be retrained.

~~(e)~~ (e) Districts are strongly encouraged to adopt a MTSS framework. The framework should include a process for monitoring student progress, evaluating program fidelity, and analyzing student outcomes and needs in order to design and implement ongoing evidenced-based instruction and interventions.

Sec. 7. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 2, is amended to read:

Subd. 2. **Identification; report.** (a) ~~Twice per year,~~ Each school district must screen every student enrolled in kindergarten, grade 1, grade 2, and grade 3 using a screening tool approved by the Department of Education three times each school year: (1) within the first six weeks of the school

year; (2) at midyear; and (3) within the last six weeks of the school year. Students enrolled in kindergarten, grade 1, grade 2, and grade 3, including multilingual learners and students receiving special education services, must be universally screened for mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, oral language, and for characteristics of dyslexia as measured by a screening tool approved by the Department of Education. The screening for characteristics of dyslexia may be integrated with universal screening for mastery of foundational skills and oral language. A district must submit data on student performance in kindergarten, grade 1, grade 2, and grade 3 on foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language to the Department of Education in the annual local literacy plan submission due on June 15.

(b) Students in grades 4 and above, including multilingual learners and students receiving special education services, who do not demonstrate mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language, must be screened using a screening tool approved by the Department of Education for characteristics of dyslexia, and must continue to receive evidence-based instruction, interventions, and progress monitoring until the students achieve grade-level proficiency. A parent, in consultation with a teacher, may opt a student out of the literacy screener if the parent and teacher decide that continuing to screen would not be beneficial to the student. In such limited cases, the student must continue to receive progress monitoring and literacy interventions.

(c) Reading screeners in English, and in the predominant languages of district students where practicable, must identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of multilingual learners. The district must use an approved, developmentally appropriate, and culturally responsive screener and annually report summary screener results to the commissioner by June 15 in the form and manner determined by the commissioner.

(d) The district also must include in its literacy plan under subdivision 4a, a summary of the district's efforts to screen, identify, and provide interventions to students who demonstrate characteristics of dyslexia as measured by a screening tool approved by the Department of Education. Districts are strongly encouraged to use ~~the~~ a MTSS framework. With respect to students screened or identified under paragraph (a), the report must include:

- (1) a summary of the district's efforts to screen for dyslexia;
- (2) the number of students universally screened for that reporting year;
- (3) the number of students demonstrating characteristics of dyslexia for that year; and
- (4) an explanation of how students identified under this subdivision are provided with alternate instruction and interventions under section 125A.56, subdivision 1.

Sec. 8. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 2a, is amended to read:

Subd. 2a. **Parent notification and involvement.** A district must administer a an approved reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, at midyear, and again within the last six weeks of the school year. ~~Schools, at least biannually~~

After administering each screener, the district must give the parent of each student who is not reading at or above grade level timely information about:

- (1) the student's reading proficiency as measured by a screener approved by the Department of Education;
- (2) reading-related services currently being provided to the student and the student's progress; and
- (3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

A district may not use this section to deny a student's right to a special education evaluation.

Sec. 9. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 4, is amended to read:

Subd. 4. **Staff development.** (a) A district must provide training on evidence-based ~~reading~~ structured literacy instruction to teachers and instructional staff in accordance with subdivision 1, ~~paragraph~~ paragraphs (b) and (c). The training must include teaching in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, reading comprehension, and culturally and linguistically responsive pedagogy.

(b) Each district shall use the data under subdivision 2 to identify the staff development needs so that:

(1) elementary teachers are able to implement explicit, systematic, evidence-based instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension with emphasis on mastery of foundational reading skills as defined in section ~~120B.118~~ 120B.119 and other literacy-related areas including writing until the student achieves grade-level reading and writing proficiency;

(2) elementary teachers ~~have sufficient~~ receive training to provide students with evidence-based reading and oral language instruction that meets students' developmental, linguistic, and literacy needs using the intervention methods or programs selected by the district for the identified students;

(3) licensed teachers employed by the district have ~~regular~~ opportunities to improve reading and writing instruction through professional development identified in the local literacy plan;

(4) licensed teachers recognize students' diverse needs in cross-cultural settings and are able to serve the oral language and linguistic needs of students who are multilingual learners by maximizing strengths in their native languages in order to cultivate students' English language development, including oral academic language development, and build academic literacy; and

(5) licensed teachers are ~~well~~ trained in culturally responsive pedagogy that enables students to master content, develop skills to access content, and build relationships.

(c) A district that offers early childhood programs, including voluntary prekindergarten for eligible four-year-old children, early childhood special education, and school readiness programs, must provide staff in early childhood programs ~~sufficient~~ approved by the Department of

Education to provide children in early childhood programs with explicit, systematic instruction in phonological and phonemic awareness; oral language, including listening comprehension; vocabulary; and letter-sound correspondence.

Sec. 10. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 4a, is amended to read:

Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must adopt a local literacy plan to have every child reading at or above grade level every year beginning in kindergarten and to support multilingual learners and students receiving special education services in achieving their individualized reading goals. A district must update and submit the plan to the commissioner by June 15 each year. The plan must be consistent with the Read Act, and include the following:

(1) a process to assess students' foundational reading skills, oral language, and level of reading proficiency and the screeners used, by school site and grade level, under section 120B.123;

(2) a process to notify and involve parents;

(3) a description of how schools in the district will determine the targeted reading instruction that is evidence-based and includes an intervention strategy for a student and the process for intensifying or modifying the reading strategy in order to obtain measurable reading progress;

(4) evidence-based intervention methods for students who are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention;

(5) identification of staff development needs, including a plan to meet those needs;

(6) the curricula used by school site and grade level;

(7) a statement of whether the district has adopted a MTSS framework;

(8) student data using the measures of foundational literacy skills and mastery identified by the Department of Education for the following students:

(i) students in kindergarten through grade 3;

(ii) students who demonstrate characteristics of dyslexia; and

(iii) students in grades 4 to 12 who are identified as not reading at grade level; and

(9) the number of teachers and other staff that have completed training approved by the department.

(b) The district must post its literacy plan on the official school district website and submit it to the commissioner of education using the template developed by the commissioner of education beginning June 15, 2024.

(c) By March 1, 2024, the commissioner of education must develop a streamlined template for local literacy plans that meets the requirements of this subdivision and requires all reading instruction

and teacher training in reading instruction to be evidence-based. The template must require a district to report information using the student categories required in the commissioner's report under paragraph (d). The template must focus district resources on improving students' foundational reading skills while reducing paperwork requirements for teachers.

(d) By December 1, 2025, the commissioner of education must submit a report to the legislative committees with jurisdiction over prekindergarten through grade 12 education summarizing the local literacy plans submitted to the commissioner. The summary must include the following information:

(1) the number of teachers and other staff that have completed training approved by the Department of Education;

(2) the number of teachers and other staff required to complete the training under section 120B.12, subdivision 1, that have not completed the training;

~~(2)~~ (3) by school site and grade, the screeners ~~used at the beginning and end of the school year~~ and the reading curriculum used; and

~~(3)~~ (4) by school site and grade, using the measurements of foundational literacy skills and mastery identified by the department, both aggregated data and disaggregated data on student performance on the approved screeners using the student categories under section 120B.35, subdivision 3, paragraph (a), clause (2).

(e) By December 1, 2026, and December 1, 2027, the commissioner of education must submit updated reports containing the information required under paragraph (d) to the legislative committees with jurisdiction over prekindergarten through grade 12 education.

Sec. 11. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 1, is amended to read:

Subdivision 1. **Approved screeners.** A district must administer an approved evidence-based reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, at midyear, and again within the last six weeks of the school year. The screener must be one of the screening tools approved by the Department of Education. A district must identify any screener it uses in the district's annual literacy plan, and submit screening data with the annual literacy plan by June 15.

Sec. 12. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 2, is amended to read:

Subd. 2. **Progress monitoring.** A district must implement progress monitoring using the approved assessments, as defined in section ~~120B.118~~ 120B.119, for a student not reading at grade level.

Sec. 13. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 5, is amended to read:

Subd. 5. **Professional development.** (a) A district must provide training from a menu of approved evidence-based training programs to all reading intervention teachers, literacy specialists, and other

teachers and staff identified in section 120B.12, subdivision 1, paragraph (b), by July 1, 2025; and by July 1, 2027, to other teachers in the district who provide reading instruction or reading interventions, prioritizing teachers who work with students with disabilities, English learners, and students who qualify for the graduation incentives program under section 124D.68.

(b) The commissioner of education may grant a district an extension to the deadlines in this subdivision.

(c) For the 2024-2025 school year only, the hours of instruction requirement under section 120A.41 for students in grades 1 through 3 is reduced to 929-1/2 hours for a district that enters into an agreement with the exclusive representative of the teachers requiring teachers to receive approved evidence-based training required under section 120B.12, subdivision 1, for 5-1/2 hours on a day when other students in the district receive instruction. If a charter school's teachers are not represented by an exclusive representative, the charter school may reduce the number of instructional hours for students in grades 1 through 3 by 5-1/2 hours in order to provide teachers with evidence-based training required under section 120B.12, subdivision 1, on a day when other students receive instruction.

Sec. 14. Minnesota Statutes 2023 Supplement, section 124D.42, subdivision 8, is amended to read:

Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps program is established to provide ServeMinnesota AmeriCorps members with a data-based problem-solving model of literacy instruction to use in helping to train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills, including evidence-based literacy instruction under sections 120B.1117 to 120B.124, to children age 3 ~~to~~ through grade 3 and interventions for children in kindergarten ~~to~~ through grade ~~12~~ 3.

(b) Literacy programs under this subdivision must comply with the provisions governing literacy program goals and data use under section 119A.50, subdivision 3, paragraph (b).

(c) Literacy programs under this subdivision must use evidence-based reading instruction and interventions focused on structured literacy, and must provide training to ServeMinnesota AmeriCorps members.

~~(e)~~ (d) The commission must submit a biennial report to the committees of the legislature with jurisdiction over kindergarten through grade 12 education that records and evaluates program data to determine the efficacy of the programs under this subdivision.

Sec. 15. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering. The revisor shall also make any technical and other changes necessitated by the renumbering and cross-reference changes in this act.

Column A
120B.1117

Column B
120B.118

120B.1118120B.119**ARTICLE 5****SPECIAL EDUCATION**

Section 1. Minnesota Statutes 2022, section 125A.02, subdivision 1a, is amended to read:

Subd. 1a. **Children ~~ages three birth through seven~~ age six experiencing developmental delays.** In addition, every child under age three, and, at local district discretion, every child from age three to through age seven, six who needs special instruction and services, as determined by the rules of the commissioner, because the child has a substantial delay or ~~has an identifiable a diagnosed~~ physical or mental condition known to hinder normal development or disorder with a high probability of resulting in developmental delay is a child with a disability.

Sec. 2. Minnesota Statutes 2023 Supplement, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

Subdivision 1. **Individualized education programs.** (a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. Before a school district evaluation team makes a determination of other health disability under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation team must seek written documentation of the student's medically diagnosed chronic or acute health condition signed by a licensed physician or a licensed health care provider acting within the scope of the provider's practice. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior needs for children. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities

or linkages or both before secondary services are concluded. If the individualized education program meets the plan components in section 120B.125, the individualized education program satisfies the requirement and no additional transition plan is needed;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

Subd. 2. Paraprofessionals. ~~(e)~~ For all paraprofessionals employed to work in programs whose role in part is to provide direct support to students with disabilities, the school board in each district shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must develop sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs, especially disability-specific and behavioral needs, of the students with whom the paraprofessional works;

(2) within five days of beginning to work alone with an individual student with a disability, the assigned paraprofessional must be either given paid time, or time during the school day, to review a student's individualized education program or be briefed on the student's specific needs by appropriate staff;

(3) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; and

(4) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

Subd. 3. **Functional behavior assessment.** ~~(d)~~ A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

Subd. 4. **Developmental adapted physical education assessment.** A school district may conduct an assessment for developmental adapted physical education, as defined in Minnesota Rules, part 3525.1352, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 125A.27, subdivision 8, is amended to read:

Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for infant and toddler intervention services under section 125A.02 and Minnesota Rules, part 3525.1350.

Sec. 4. Minnesota Statutes 2022, section 125A.56, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Before a pupil in kindergarten through grade 12 is referred for a special education evaluation, the district must conduct and document at least two instructional strategies, alternatives, or interventions using a system of scientific, research-based instruction and intervention in academics or behavior, based on the pupil's needs, while the pupil is in the regular classroom. The pupil's teacher must document the results. A special education evaluation team may waive this requirement when it determines the pupil's need for the evaluation is urgent. This section may not be used to deny a pupil's right to a special education evaluation.

(b) A school district shall use alternative intervention services, including the assurance of mastery program under section 124D.66, or an early intervening services program under subdivision 2 to serve at-risk pupils who demonstrate a need for alternative instructional strategies or interventions.

(c) A student identified as being unable to read at grade level under section 120B.12, subdivision 2, paragraph (a), must be provided with alternate instruction under this subdivision that is multisensory, systematic, sequential, cumulative, and explicit.

Sec. 5. **SPECIAL EDUCATION LICENSURE RECIPROCITY WORKING GROUP.**

Subdivision 1. **Working group established.** The Professional Educator Licensing and Standards Board must establish a working group on special education licensure reciprocity.

Subd. 2. **Members.** (a) The board must consult with the organizations identified in paragraph (b) before naming appointed members to the working group.

(b) By October 1, 2024, the board must appoint the following members to the working group:

- (1) the executive director of the board or the executive director's designee;
- (2) one representative from the board;
- (3) two representatives from Minnesota Administrators for Special Education, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;
- (4) two representatives from the Minnesota Association of School Administrators, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;
- (5) two representatives from the Minnesota School Boards Association, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;
- (6) two representatives from Education Minnesota, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;
- (7) four licensed special education teachers, consisting of two members from the seven-county metropolitan area and two members from outside the metropolitan area;
- (8) two representatives from the Minnesota Association of Colleges for Teacher Education; and
- (9) two representatives from alternative teacher preparation programs.

Subd. 3. **Duties.** The working group must meet on a regular basis and review current statutory and rule requirements for persons with a special education license from another state to qualify for a special education license in Minnesota, and make recommendations on statutory or rule changes necessary to streamline requirements for out-of-state applicants. The working group must submit its recommendations to the board for consideration for inclusion in the board's legislative priorities, and by February 1, 2025, must submit a report to the legislative committees with jurisdiction over kindergarten through grade 12 education.

Subd. 4. **Administrative provisions.** (a) The executive director of the board, or the director's designee, must convene the initial meeting of the working group. Upon request of the working group, the board must provide meeting space and administrative services for the group.

(b) Members of the working group serve without compensation or payment of expenses.

(c) The working group expires February 1, 2025, or upon submission of the report to the legislature required under subdivision 3, whichever is earlier.

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

ARTICLE 6

CHARTER SCHOOLS

Section 1. Minnesota Statutes 2022, section 124E.01, subdivision 1, is amended to read:

Subdivision 1. **Purposes.** (a) The primary purpose of mission-driven charter schools is to improve all pupil the learning and all student, achievement, and success of all students. Additional purposes include to The additional purposes of charter schools are to:

- (1) increase quality learning opportunities for all pupils students;
- (2) encourage the use of different and innovative teaching methods;
- (3) measure learning outcomes and create different and innovative forms of measuring outcomes;
- (4) establish new forms of accountability for schools; or
- (5) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) A charter school must identify the purposes it will address in the charter contract and document the implementation of those purposes in the school's annual report. Documentation of the implementation of those purposes shall be a component of the authorizer's performance review of the school.

Sec. 2. Minnesota Statutes 2023 Supplement, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

- (a) For purposes of this chapter, the terms defined in this section have the meanings given them.
- (b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.
- (c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.
- (d) "Charter management organization" or "CMO" means any a nonprofit or for-profit entity or organization that contracts with a charter school board of directors to provide, manage, or oversee operates or manages a charter school or a network of charter schools or can control all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.
- (e) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.
- (f) "Educational management organization" or "EMO" means a nonprofit or for-profit entity or organization that provides, manages or oversees operates or manages a charter school or a network of charter schools or can control all or substantially all of the a school's education program, or the a school's administrative, financial, business, or operational functions.
- (g) "Immediate family" means an individual whose any relationship by blood, marriage, adoption, or partnership is no more remote than first cousin of spouses, parents, grandparents, siblings, children, first cousins, aunts, uncles, grandchildren, nieces, and nephews.

(h) "Market need and demand study" means a study that includes the following for the proposed locations of the school or additional site:

- (1) current and projected demographic information;
- (2) student enrollment patterns;
- (3) information on existing schools and types of educational programs currently available;
- (4) characteristics of proposed students and families;
- (5) availability of properly zoned and classified facilities; and
- (6) quantification of existing demand for the school or site.

(i) "Person" means an individual or entity of any kind.

(j) "Related party" means an affiliate or immediate relative of the other interested party, an affiliate of an immediate relative who is the other interested party, or an immediate relative of an affiliate who is the other interested party.

(k) For purposes of this chapter, the terms defined in section 120A.05 have the same meanings.

Sec. 3. Minnesota Statutes 2023 Supplement, section 124E.03, subdivision 2, is amended to read:

Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A charter school must comply with the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(d) A charter school is a district for the purposes of tort liability under chapter 466.

(e) A charter school must comply with the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(f) A charter school and charter school board of directors must comply with chapter 181 governing requirements for employment.

(g) A charter school must comply with continuing truant notification under section 260A.03.

(h) A charter school must develop and implement a teacher evaluation and peer review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d). The teacher evaluation process in this paragraph does not create any additional employment rights for teachers.

(i) A charter school must adopt a ~~policy~~, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce.

(j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56 and 121A.575, 121A.60, 121A.61, and 121A.65.

Sec. 4. Minnesota Statutes 2022, section 124E.05, subdivision 2, is amended to read:

Subd. 2. **Roles, responsibilities, and requirements for of authorizers.** ~~The authorizer must participate in department-approved training.~~ (a) The role of an authorizer is to ensure that any school it authorizes has the autonomy to which the school is entitled, fulfills the purposes of a charter school, and is accountable to the agreed upon terms of the charter school contract in order to safeguard quality educational opportunities for students and maintain public trust and confidence.

(b) An authorizer has the following responsibilities:

(1) to review applications for new schools, to make ready-to-open determinations for new schools, to review applications for grade and site expansions, to review applications for change in authorizers, and to determine whether to approve or deny an application based on the authorizer's approved criteria;

(2) to negotiate and execute the performance charter contracts with the schools it authorizes;

(3) to conduct ongoing monitoring, oversight, and evaluation of the school's academic, operational, and financial performance during the term of the charter contract;

(4) to evaluate the academic, operational, and financial performance of the school as defined in the charter contract prior to the end of the contract to determine the renewal, nonrenewal, or termination of the contract; and

(5) to comply with authorizer requirements in chapter 124E.

(c) The commissioner shall not require an authorizer to undertake any role or responsibility beyond those in statute or the charter contract, or perform any function that the department or other government agency exercises in relation to a public school, school board, or school district.

(d) The authorizer shall document in the authorizer annual report under section 124E.16, subdivision 2, paragraph (b), the annual successful completion of training of its staff members during the previous year relative to chartering and an authorizer's role and responsibilities.

(e) The authorizer must participate in department-approved training.

Sec. 5. Minnesota Statutes 2022, section 124E.05, subdivision 3, is amended to read:

Subd. 3. **Application process.** (a) An eligible ~~authorizer~~ organization under this section must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must show the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this chapter. The commissioner must approve or disapprove the application within 45

business days of the deadline for that application period. If the commissioner disapproves the application, the commissioner must notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria to approve an authorizer, consistent with subdivision 4, must consider the applicant's:

- (1) infrastructure and capacity to serve as an authorizer;
- (2) application criteria and process;
- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(b) A disapproved applicant under this section may resubmit an application during a future application period.

Sec. 6. Minnesota Statutes 2022, section 124E.05, subdivision 5, is amended to read:

Subd. 5. **Review by commissioner.** (a) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner, subject to paragraphs (b) and (c), and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school ~~operator~~ chief administrator, charter school board ~~member~~ of directors, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer and the schools authorized by the authorizer.

(b) Consistent with this subdivision, the commissioner must:

~~(1) use criteria appropriate to the authorizer and the schools it charts to review the authorizer's performance; and~~

~~(2) consult with authorizers, charter school operators, and other charter school stakeholders in developing review criteria under this paragraph.~~

~~(c) The commissioner's form must use existing department data on the authorizer to minimize duplicate reporting to the extent practicable. When reviewing an authorizer's performance under this subdivision, the commissioner must not:~~

~~(1) fail to credit;~~

~~(2) withhold points; or~~

~~(3) otherwise penalize an authorizer for failing to charter additional schools or for the absence of complaints against the authorizer's current portfolio of charter schools.~~

(1) develop the criteria and process of the performance review system in consultation with authorizers, school administrators, charter school boards of directors, and other charter school stakeholders;

(2) notwithstanding any updates to comply with state or federal law or to make technical corrections, publish the authorizer performance review criteria and process at least 12 months before any change or process takes effect;

(3) base the performance review system on the authorizer's role and responsibilities in sections 124E.05, subdivision 2, and 124E.10;

(4) evaluate the authorizer's performance on adherence and implementation of the authorizer's approved policies, procedures, and processes that are subject to section 124E.05, subdivision 5, paragraph (b); and

(5) include input from the authorizer, charter school administrators, and charter school boards of directors.

(c) The commissioner's form must use existing department data on the authorizer to minimize duplicate reporting to the extent practicable.

(d) Consistent with this subdivision the commissioner must not:

(1) penalize in any way an authorizer for not chartering additional schools or the absence of complaints against an authorizer or an authorizer's portfolio of schools; or

(2) penalize an authorizer for not undertaking any role or responsibilities beyond those defined in the authorizer's approved policies, procedures or processes, the charter contract, or this section.

Sec. 7. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 1, is amended to read:

Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an application from a charter school developer, may charter either a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under subdivision 4.

(b) "Application" under this section means the charter school business plan a charter school developer submits to an authorizer for approval to establish a charter school. This application must include:

(1) the proposed school's:

(i) mission and vision statements;

(ii) purposes and goals;

(iii) educational program design and how the program will improve student learning, success, and achievement;

(iv) plan to address the social and emotional learning needs of students and student support services;

(v) plan to provide special education management and services;

(vi) plan for staffing the school with appropriately qualified and licensed personnel;

(vii) financial plan;

(viii) governance and management structure and plan;

(ix) market need and demand study; and

(x) plan for ongoing outreach and dissemination of information about the school's offerings and enrollment procedure to families that reflect the diversity of Minnesota's population and targeted groups under section 124E.17, subdivision 1, paragraph (a);

(2) the school developer's experience and background, including criminal history and bankruptcy background checks; and

(3) any other information the authorizer requests; ~~and.~~

~~(4) a "statement of assurances" of legal compliance prescribed by the commissioner.~~

(c) An authorizer shall not approve an application submitted by a charter school developer under paragraph (a) if the application does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

Sec. 8. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 4, is amended to read:

Subd. 4. Authorizer's affidavit; approval process. (a) Before an operator may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of the year the new charter school plans to serve students. The affidavit must state:

~~(1) the terms and conditions under which the authorizer would charter a school, including a market need and demand study; and.~~

~~(2) how the authorizer intends to oversee:~~

~~(i) the fiscal and student performance of the charter school; and~~

~~(ii) compliance with the terms of the written contract between the authorizer and the charter school board of directors under section 124E.10, subdivision 1.~~

(b) The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. The commissioner must notify the authorizer of the commissioner's final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. An authorizer who fails to obtain the commissioner's approval is precluded from chartering the school that is the subject of this affidavit.

(c) The grades and number of primary enrollment sites in an approved affidavit may only be modified under subdivision 5.

Sec. 9. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 5, is amended to read:

Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to amend the school charter to add grades or primary enrollment sites beyond those defined in the original affidavit approved by the commissioner. After approving the school's application, the authorizer shall submit a supplemental affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplemental affidavit to the commissioner by October 1 to be eligible to add grades or sites in the next school year. The supplemental affidavit must document ~~to the authorizer's satisfaction:~~

(1) the need for the additional grades or sites with supporting long-range enrollment projections for site expansion, a market need and demand study with long-range enrollment projections;

(2) a longitudinal record of student academic performance and growth on statewide assessments under chapter 120B or on other academic assessments that measure longitudinal student performance and growth approved by the charter school's board of directors and agreed upon with the authorizer for grade expansion, the need for the additional grades with supporting long-range enrollment projections;

(3) a history of sound school finances and a plan to add grades or sites that sustains the school's finances a longitudinal record of at least three years of student academic proficiency and growth on statewide assessments under chapter 120B or on other academic assessments that measure for at least three years longitudinal student proficiency and growth approved by the charter school's board of directors and agreed upon with the authorizer;

(4) board capacity to administer and manage the additional grades or sites at least three years of sound school finances and a plan to add grades or sites that sustains the school's finances; and

(5) for site expansion, a market need and demand study board capacity to administer and manage the additional grades or sites.

(b) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer in writing of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address any deficiencies in the supplemental affidavit to the commissioner's satisfaction. The commissioner must notify the authorizer of final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. The school may not add grades or sites until the

commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Sec. 10. Minnesota Statutes 2022, section 124E.07, is amended to read:

124E.07 BOARD OF DIRECTORS.

Subdivision 1. **Initial board of directors.** Before entering into a contract or other agreement for professional or other services, goods, or facilities, the operators authorized to organize and operate a school must establish a board of directors composed of at least five members ~~who are not related parties.~~ The initial board members must not be related parties. The initial board continues to serve until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under subdivision 4. The initial board of directors and school developers must comply with the training requirements in subdivision 7 upon the incorporation of the school.

Subd. 2. **Ongoing board of directors.** ~~The ongoing board must be elected before the school completes its third year of operation.~~ The board must begin the transition to the ongoing board structure by the end of the first year of operation and complete the transition by the end of the second year of operation. The terms of board members shall begin on July 1. Terms shall be no less than two years. The bylaws shall set the number of terms an individual may serve on the board and as an officer of the board. Board elections must be held during the school year but may not be conducted on days when the school is closed.

Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall have at least five ~~nonrelated~~ members ~~and include:~~ The board members must not be related parties. The ongoing board shall include:

(1) at least one licensed teacher ~~who is employed as a teacher at the school or provides instruction under contract between the charter school and a cooperative~~ of record under Minnesota Rules, part 8710.0310. A licensed teacher who serves on a charter school board is an individual who holds a valid teaching license issued by the Professional Educator Licensing and Standards Board (PELSB), is employed by the school or contracted between the charter school or a teacher cooperative for at least 720 hours in a school calendar year, serves as a teacher of record, and provides instruction to students in the areas for which they are approved by PELSB; or a PELSB licensed school psychologist, social worker, librarian, pathologist, nurse, counselor, or other school professional under Minnesota Rules, parts 8710.5900 to 8710.6400, who provides the services for students for which they are licensed. A board member eligible under this clause does not include any individual who serves the charter school in an administrative or supervisory capacity for more than 240 hours in a school calendar year;

(2) at least one parent or legal guardian of a student enrolled in the charter school. ~~who is not~~ A parent or guardian who serves on the charter board must not be an employee of the charter school; and

(3) at least one interested community member. ~~who resides in Minnesota, is not employed by the charter~~ An interested community member who serves on the charter school board must reside in Minnesota, cannot be employed by the charter school, and must not have a child enrolled in the charter school ~~school, and does not have a child enrolled in the school.~~

The board structure must be defined in the bylaws. The board structure may include (i) be a majority of teachers under this paragraph or, (ii) be a majority of parents or, (iii) be a majority of community members, or it may (iv) have no clear majority. The chief financial officer and the chief administrator may only serve as an ex-officio nonvoting board members member. No charter school employees shall serve on the board other than teachers under clause (1). Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school.

(b) An individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section. An individual is prohibited from serving on more than one charter school board at the same time in either an elected or ex-officio capacity.

(c) A violation of paragraph (b) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph (b) is individually liable to the charter school for any damage caused by the violation.

(d) Any employee, agent, contractor, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.

(e) A charter school must disclose to the commissioner and its authorizer if a board member, including an ex-officio nonvoting board member, is serving on multiple charter school boards or committees of other charter school boards. The board member has an affirmative duty to inform each school board of every school board where the board member is a director or ex-officio member.

Subd. 4. **Board structure.** Board bylaws shall outline the process and procedures for changing the board's governance structure, consistent with chapter 317A. A board may change its governance structure only:

(1) by a majority vote of the board of directors ~~and a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative; and~~

(2) by a majority vote of the licensed teachers employed by the school as teachers who provide instruction to students, including licensed teachers providing instruction under a contract between the school and a cooperative; and

~~(2)~~ (3) with the authorizer's approval.

Any change in board governance structure must conform with the board composition established under this section.

Subd. 5. ~~Eligible voters~~ **Board elections.** (a) Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect

the members of the school's board of directors. ~~A charter school must notify eligible voters of the school board election dates at least 30 days before the election.~~

(b) The board of directors must establish and publish election policies and procedures on the school's website.

(c) The board of directors must notify eligible voters of the school board election dates and voting procedures at least 30 calendar days before the election and post this information on the school's website.

(d) The board of directors must notify eligible voters of the candidates' names, biographies, and candidate statements at least ten calendar days before the election and post this information on the school's website.

Subd. 6. **Duties.** (a) The board of directors also shall decide and is responsible for all decision making on policy matters related to operating the school, including budgeting, curriculum programming, personnel, and operating procedures. ~~The board shall adopt a nepotism policy.~~ The board ~~shall~~ must adopt personnel evaluation policies and practices that, at a minimum:

- (1) carry out the school's mission and goals;
- (2) evaluate how charter contract goals and commitments are executed;
- (3) evaluate student achievement, postsecondary and workforce readiness, and student engagement and connection goals;
- (4) establish a teacher evaluation process under section 124E.03, subdivision 2, paragraph (h); and
- (5) provide professional development related to the individual's job responsibilities.

(b) The board must adopt a nepotism policy that prohibits the employment of immediate family members of a board member, a school employee, or a teacher who provides instruction under a contract between the charter school and a cooperative. The board may waive this policy if: (1) the position is publicly posted for 20 business days; and (2) a two-thirds majority of the remaining board of directors vote to approve the hiring. A board member, school employee, or teacher under contract with a cooperative must not be involved in an interview, selection process, hiring, supervision, or evaluation of an employee who is an immediate family member.

Subd. 7. **Training.** ~~Every charter school board member shall attend annual training throughout the member's term. All new board members shall attend initial training on the board's role and responsibilities, employment policies and practices, and financial management. A new board member who does not begin the required initial training within six months after being seated and complete that training within 12 months after being seated is automatically ineligible to continue to serve as a board member. The school shall include in its annual report the training each board member attended during the previous year.~~

(a) Every charter school board member and nonvoting ex-officio member who is a charter school director or chief administrator must attend board training.

(b) Prior to beginning their term, a new board member must complete training on a charter school board's role and responsibilities, open meeting law, and data practices law. An ex-officio member, who is a charter school director or chief administrator, must complete this training within three months of starting employment at the school.

(c) A new board member must complete training on employment policies and practices under chapter 181; public school funding and financial management; and the board's roles and responsibilities regarding student success, achievement, and performance within 12 months of being seated on the board or the individual is automatically ineligible to continue to serve as a board member. A board member who does not complete training within the 12-month period is ineligible to be elected or appointed to a charter school board for a period of 18 months.

(d) Every charter school board member must complete annual training throughout the member's term based on an annual assessment of the training needs of individual members and the full board. Ongoing training includes but is not limited to budgeting, financial management, recruiting and hiring a charter school director or chief administrator, evaluating a charter school director or chief administrator, governance-management relationships, student support services, the Pupil Fair Dismissal Act, state standards, cultural diversity, succession planning, strategic planning, program oversight and evaluation, compensation systems, human resources policies, effective parent and community relationships, authorizer contract and relationships, charter school law, legal liability, board recruitment and elections, board meetings and operations, policy development and review, and school health and safety.

(e) The organization or person providing training under paragraphs (b), (c), and (d) must certify the individual's completion of the training provided.

(f) The charter school is responsible for covering the costs related to board training. The charter school must include in its annual report the board member training completed during the previous year.

(g) The board must ensure that an annual assessment of the board's performance is conducted and the results are reported in the school's annual report.

Subd. 8. Meetings and information. (a) Board of director meetings must comply with chapter 13D governing open meetings.

(b) A charter school shall publish and maintain on the school's official website: (1) the meeting minutes of the board of directors and of members and committees having board-delegated authority, within 30 calendar days following the earlier of the date of board approval or the next regularly scheduled meeting, and for at least 365 days from the date of publication; (2) directory information for the board of directors and for the members of committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer.

(c) A charter school must include identifying and contact information for the school's authorizer in other school materials it makes available to the public.

Sec. 11. Minnesota Statutes 2022, section 124E.10, subdivision 2, is amended to read:

Subd. 2. **Limits on charter school agreements.** (a) A school must disclose to the commissioner any potential contract, lease, or purchase of service from ~~an~~ the school's authorizer or a board member, employee, contractor, volunteer, or agent of the school's authorizer. The contract, lease, or purchase must be accepted through an open bidding process and be separate from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services to a school it authorizes, unless the school documents receiving at least two competitive bids. This paragraph does not apply to a charter school or an authorizer when contracting for legal services from a lawyer that provides professional services to the charter school or authorizer and who is subject to the Minnesota Rules of Professional Conduct.

(b) An authorizer must not condition granting or renewing a charter on:

(1) the charter school being required to contract, lease, or purchase services from the authorizer;
or

(2) the bargaining unit status of school employees.

Sec. 12. Minnesota Statutes 2022, section 124E.10, subdivision 4, is amended to read:

Subd. 4. **Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 1, paragraph (a). The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 business days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and describe the informal hearing process, consistent with this paragraph. The charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days after receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for an informal hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The hearing shall be recorded by audio recording, video recording, or a court reporter. The recording shall be preserved for three years and shall be made available to the public. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

(b) An authorizer may terminate or not renew a contract upon any of the following grounds:

(1) failure to demonstrate satisfactory academic achievement for all students, including the requirements for pupil performance contained in the contract;

(2) failure to meet generally accepted standards of fiscal management;

(3) violations of law; or

(4) other good cause shown.

If the authorizer terminates or does not renew a contract under this paragraph, the school must be dissolved according to the applicable provisions of chapter 317A.

(c) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

(1) failure to meet pupil performance requirements, consistent with state law;

(2) financial mismanagement or failure to meet generally accepted standards of fiscal management; or

(3) repeated or major violations of the law.

Sec. 13. Minnesota Statutes 2022, section 124E.10, subdivision 5, is amended to read:

Subd. 5. **Mutual nonrenewal.** If the authorizer and the ~~charter school~~ board of directors of a charter school serving enrolled students mutually agree not to renew the contract, or if the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under subdivision 4, a change in authorizers is allowed. The authorizer and the school board must jointly submit a written and signed letter of their intent to the commissioner to mutually not renew the contract. The authorizer that is a party to the existing contract must inform the proposed authorizer about the fiscal, operational, and student performance status of the school, including unmet contract outcomes and other outstanding contractual obligations. The charter contract between the proposed authorizer and the school must identify and provide a plan to address any outstanding obligations from the previous contract. The proposed authorizer must submit the proposed contract at least 105 business days before the end of the existing charter contract. The commissioner has 30 business days to review and make a determination on the change in authorizer. The proposed authorizer and the school have 15 business days to respond to the determination and address any issues identified by the commissioner. The commissioner must make a final determination no later than 45 business days before the end of the current charter contract. If the commissioner does not approve a change in authorizer, the school and the current authorizer may withdraw their letter of nonrenewal and enter into a new contract. If the commissioner does not approve a change in authorizer and the current authorizer and the school do not withdraw their letter and enter into a new contract, the school must be dissolved according to applicable law and the terms of the contract.

Sec. 14. Minnesota Statutes 2023 Supplement, section 124E.11, is amended to read:

124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.

(a) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

(1) pupils within an age group or grade level;

(2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations.

(b) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), must enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish, including on its website, a lottery policy and process that it must use when accepting pupils by lot.

(c) Admission to a charter school must be free to any eligible pupil who resides within the state. A charter school must give enrollment preference to a Minnesota resident pupil over pupils that do not reside in Minnesota. A charter school must require a pupil who does not reside in Minnesota to annually apply to enroll in accordance with paragraphs (a) to (f). A charter school must give enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot. A staff member eligible for an enrollment preference for their children must be an individual employed at the school whose employment is stipulated in advance to total at least 480 hours in a school calendar year. A charter school that is located in Duluth township in St. Louis County and admits students in kindergarten through grade 6 must give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children.

(d) A person may not be admitted to a charter school: (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its website a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraphs (d) and (i), a charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this section.

(f) The charter school or any agent of the school must not distribute any services or goods, payments, or other incentives of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

(g) Once a student who resides in Minnesota is enrolled in the school in kindergarten through grade 12, or in the school's free preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (b), the student is considered enrolled in the school until the student formally withdraws, the school receives a request for the transfer of educational records from another school, the school receives a written election by the parent or legal guardian of the student withdrawing the student, or the student is expelled under the Pupil Fair Dismissal Act in sections 121A.40 to 121A.56.

(h) A charter school with at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf or hard-of-hearing may enroll prekindergarten

pupils with a disability under section 126C.05, subdivision 1, paragraph (a), and must comply with the federal Individuals with Disabilities Education Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause (iv).

(i) A charter school serving at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf, deafblind, or hard-of-hearing may give enrollment preference to students who are eligible for special education services and have a primary disability of deaf, deafblind, or hard-of-hearing. The charter school may not limit admission based on the student's eligibility for additional special education services.

Sec. 15. Minnesota Statutes 2023 Supplement, section 124E.12, subdivision 1, is amended to read:

Subdivision 1. **Teachers.** A charter school, excluding its preschool or prekindergarten program established under section 124E.06, subdivision 3, must employ or contract with necessary teachers, as defined by section 122A.06, subdivision 2, or contract with a cooperative formed under chapter 308A to provide necessary teachers, who hold valid licenses to perform the particular service for which they are employed in the school. A charter school may not contract with a CMO or EMO to provide necessary teachers. A charter school's preschool or prekindergarten program must employ or contract with teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction established under section 124E.06, subdivision 3. The commissioner may reduce the charter school's state aid under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the Professional Educator Licensing and Standards Board. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932 governing whistle-blowers. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

Sec. 16. Minnesota Statutes 2022, section 124E.12, subdivision 2, is amended to read:

Subd. 2. **Administrators.** ~~(a) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for all persons who hold administrative, supervisory, or instructional leadership roles. The qualifications shall cover at least: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles.~~

~~(b) The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. The school's annual report must include public personnel information documenting the professional development plan.~~

(a) A charter school board of directors must establish qualifications for all persons who hold administrative, academic supervision, or instructional leadership positions. The qualifications must

include a requirement that a person hold a minimum of a four-year degree from an accredited institution or equivalent experience. Other qualifications for these positions shall include, as appropriate for the specific position: instruction and assessment, curriculum design, human resource and personnel management, professional ethics, child development, financial management, legal and compliance management, special education oversight, contract management, effective communication, cultural competency, board and authorizer relationships, parent relationships, and community partnerships. A charter school board of directors must use those qualifications as the basis for the job description, hiring, and performance evaluation of the charter school director or chief administrator. The charter school director or chief administrator must use those qualifications as the basis for the job descriptions, hiring, and performance reviews for the administrative staff, academic program supervisors, and instructional leaders who report to the charter school director or chief administrator.

(b) A person who does not hold a valid administrator's license may perform administrative, academic supervision, or instructional leadership duties. A person without a valid administrator's license, serving as a charter school director or chief administrator, must complete a minimum of 25 hours annually of competency-based training corresponding to the individual's annual professional development needs and plan approved by the charter school board of directors. Training includes but is not limited to: instruction and curriculum; state standards; teacher and staff hiring, development, support, and evaluation; social-emotional learning; data collection and usage; assessment methodologies; use of technology for learning and management; charter school law and requirements; code of professional ethics; financial management and state accounting requirements; grant management; legal and compliance management; special education management; health and safety laws; restorative justice; cultural competencies; effective communication; parent relationships; board and management relationships; community partnerships; charter contract and authorizer relationships; and public accountability.

(c) A person serving as a new charter school director or chief administrator with a valid administrator's license must complete a minimum of ten hours of competency-based training during the first year of employment on the following: charter school law and requirements, board and management relationships, and charter contract and authorizer relationships.

(d) The training a person must complete under paragraphs (b) and (c) may not be self-instructional. The organization or instructor providing the training must certify completion of the training. The person must submit the certification of completion of training to the charter school board of directors and certifications must be maintained in the personnel file. Completing required training must be a component of annual performance evaluations.

(e) All professional development training completed by the charter school director or chief administrator in the previous academic year must be documented in the charter school's annual report.

(f) No charter school administrator may serve as a paid administrator or consultant with another charter school without the knowledge and a two-thirds vote of approval of the boards of directors of the charter schools involved in such an arrangement. The boards of directors involved in such arrangements must send notice of this arrangement to authorizers upon approval by the boards.

(g) No charter school administrator may serve on the board of directors of another charter school.

Sec. 17. Minnesota Statutes 2022, section 124E.14, is amended to read:

124E.14 CONFLICTS OF INTEREST.

(a) No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

- (1) the board member, employee, officer, or agent;
- (2) the immediate family of the board member, employee, officer, or agent;
- (3) the partner of the board member, employee, officer, or agent; or
- (4) an organization that employs, or is about to employ any individual in clauses (1) to (3),

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

(b) The conflict of interest provisions under this section do not apply to compensation paid to a teacher employed as a teacher by the charter school or a teacher who provides instructional services to the charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

(c) A charter school board member, employee, or officer is a local official for purposes of section 471.895 with regard to receipt of gifts as defined under section 10A.071, subdivision 1, paragraph (b). A board member, employee, or officer must not receive compensation from a group health insurance provider.

(d) No charter school employee or board member may serve on the board or decision-making committee of the school's authorizer. An employee or school board member must disclose to the school's board of directors any paid compensation they receive from the school's authorizer.

Sec. 18. Minnesota Statutes 2023 Supplement, section 124E.16, subdivision 1, is amended to read:

Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under this subdivision. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing auditing procedures. ~~A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing municipal contracting.~~ The audit must comply with the requirements of sections 123B.75 to 123B.83 governing school district finance, except when the commissioner and authorizer approve a deviation made necessary because of school program finances. The commissioner, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(b) The charter school must submit an audit report to the commissioner and its authorizer annually by December 31.

(c) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information: (1) a copy of a new management agreement or an amendment to a current agreement with a CMO or EMO signed during the audit year; and (2) a copy of a service agreement or contract with a company or individual totaling over five percent of the audited expenditures for the most recent audit year. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services.

(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Sec. 19. Minnesota Statutes 2022, section 124E.17, is amended to read:

124E.17 DISSEMINATION OF INFORMATION.

Subdivision 1. **Charter school information.** (a) Charter schools must disseminate information about ~~how to use the charter school offerings to targeted groups, among others. Targeted groups include low income families and communities, students of color, and students who are at risk of academic failure.~~ the school's offerings and enrollment procedures to families that reflect the diversity of Minnesota's population and targeted groups. Targeted groups include low-income families and communities, students of color, students at risk of academic failure, and students underrepresented in the school's student body relative to Minnesota's population. The school must document its dissemination activities in the school's annual report. The school's dissemination activities must be a component of the authorizer's performance review of the school.

(b) Authorizers and the commissioner must disseminate information to the public on how to form and operate a charter school. Authorizers, operators, and the commissioner also may disseminate information to interested stakeholders about the successful best practices in teaching and learning demonstrated by charter schools.

Subd. 2. **Financial information.** Upon request of an individual, the charter school must make available in a timely fashion financial statements showing all operations and transactions affecting the school's income, surplus, and deficit during the last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. ~~A charter school also must include that same information about its authorizer in other school materials that it makes available to the public.~~ Upon request, the authorizer must provide the same information about its organization.

Sec. 20. Minnesota Statutes 2022, section 124E.26, is amended to read:

124E.26 USE OF STATE MONEY.

Subdivision 1. **Purchasing buildings.** A charter school may not use state money to purchase land or buildings. The charter school may own land and buildings if obtained through nonstate sources.

Subd. 2. **Procurement policy required.** Prior to the expenditure of any state funds, a charter school must adopt a procurement policy consistent with subdivision 4.

Subd. 3. **All purchases.** All purchases using state funds must be made consistent with the procurement policy adopted under subdivision 2.

Subd. 4. **Required policy components.** A charter school procurement policy must at a minimum include:

(1) conflict of interest provisions consistent with section 124E.14;

(2) thresholds for purchases by employees without board approval;

(3) thresholds for purchases that require competitive bidding processes, except that a competitive bidding process must occur for any procurement estimated to exceed \$25,000; and

(4) a prohibition on breaking up a procurement into smaller components to avoid the thresholds established in clauses (2) and (3).

Subd. 5. **Reduction in aid.** If a charter school makes a purchase without a procurement policy adopted by the school's board or makes a purchase not in conformity with the school's procurement policy, the commissioner may reduce that charter school's state aid in an amount equal to the purchase.

Subd. 6. **Property, financial investments, and contracting.** A charter school is subject to and must comply with sections 15.054 and 118A.01 to 118A.06 governing government property and financial investments and sections 471.38, 471.391, 471.392, and 471.425 governing municipal contracting.

ARTICLE 7

NUTRITION AND LIBRARIES

Section 1. Minnesota Statutes 2023 Supplement, section 124D.111, subdivision 2a, is amended to read:

Subd. 2a. **Federal child and adult care food program and federal summer food service program; criteria and notice.** (a) The commissioner must post on the department's website eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal child and adult care food program and federal summer food service program. The posted criteria and information must inform interested nonprofit organizations about:

(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;

(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and

(3) any appeal or other recourse available to a disapproved applicant.

(b) The commissioner must evaluate financial eligibility as part of the application process. An organization applying to be a prospective ~~sponsor~~ nonprofit multisite sponsoring organization for the federal child and adult ~~care food care~~ program or the federal summer food service program must provide documentation of financial viability as an organization. Documentation must include:

(1) evidence that the organization has operated for at least one year and has filed at least one tax return;

(2) the most recent tax return submitted by the organization and corresponding forms and financial statements;

(3) a profit and loss statement and balance sheet or similar financial information; and

(4) evidence that at least ten percent of the organization's operating revenue comes from sources other than the United States Department of Agriculture child nutrition program and that the organization has additional funds or a performance bond available to cover at least one month of reimbursement claims.

Sec. 2. [134.205] METROPOLITAN LIBRARY SERVICE AGENCY.

Notwithstanding Minnesota Rules, part 3530.1000, item A, beginning April 1, 2024, the Metropolitan Library Service Agency may employ an executive director who does not hold a master's degree in library science.

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

Sec. 3. [134.51] BOOK BANNING PROHIBITED.

Subdivision 1. **Access to materials.** (a) The governing body, including a school board, of a regional public library system under section 134.20, subdivision 2; a multicounty, multitype library system under section 134.351, subdivision 4; a combination library under section 134.195, subdivision 7; a school library under section 124D.991; a library in a school receiving school library aid; or any other public library under section 134.001, subdivision 2, may not ban, remove, or otherwise restrict access to an otherwise age-appropriate book or other material selected pursuant to a library materials policy under subdivision 2 based solely on the viewpoint, content, message, idea, or opinion conveyed.

(b) This section does not limit authority to decline to purchase, lend, or shelve or to remove or restrict access to books or other materials legitimately based upon:

(1) practical reasons, including but not limited to shelf space limitations, rare or antiquarian status, damage, or obsolescence;

(2) legitimate pedagogical concerns, including but not limited to the appropriateness of potentially sensitive topics for the library's intended audience, the selection of books and materials for a curated

collection, or the likelihood of causing a material and substantial disruption of the work and discipline of the school; or

(3) compliance with state or federal law.

Subd. 2. **Library materials policy.** (a) A governing body under subdivision 1 must adopt a policy that establishes procedures for selection of and reconsideration of library materials in accordance with this section.

(b) The policy must permit a parent or guardian to restrict their child's access to specified library materials. This policy must not impair or limit the rights of a parent, guardian, or adult student to request a curriculum content challenge under section 120B.20.

(c) The policy must require that the procedures for selection and reconsideration be administered by:

(1) a licensed library media specialist under Minnesota Rules, part 8710.4550;

(2) an individual with a master's degree in library sciences or library and information sciences;
or

(3) a professional librarian or a person trained in library collection management.

Subd. 3. **Collection management.** A governing body under subdivision 1, or any other public body with personnel authority for a library, may not discriminate against or discipline an individual for complying with subdivision 1.

ARTICLE 8

HEALTH AND SAFETY

Section 1. Minnesota Statutes 2022, section 120A.22, subdivision 12, is amended to read:

Subd. 12. **Legitimate exemptions.** (a) A parent, guardian, or other person having control of a child may apply to a school district to have the child excused from attendance for the whole or any part of the time school is in session during any school year. Application may be made to any member of the board, a truant officer, a principal, or the superintendent. The school district may state in its school attendance policy that it may ask the student's parent or legal guardian to verify in writing the reason for the child's absence from school. A note from a physician or a licensed mental health professional stating that the child cannot attend school is a valid excuse. The board of the district in which the child resides may approve the application upon the following being demonstrated to the satisfaction of that board:

(1) that the child's physical or mental health is such as to prevent attendance at school or application to study for the period required, which includes:

(i) child illness, medical, dental, orthodontic, or counseling appointments, including appointments conducted through telehealth;

(ii) family emergencies;

- (iii) the death or serious illness or funeral of an immediate family member;
- (iv) active duty in any military branch of the United States;
- (v) the child has a condition that requires ongoing treatment for a mental health diagnosis; or
- (vi) other exemptions included in the district's school attendance policy;

(2) that the child has already completed state and district standards required for graduation from high school; or

(3) that it is the wish of the parent, guardian, or other person having control of the child, that the child attend, for a period or periods not exceeding in the aggregate three hours in any week, instruction conducted by a Tribal spiritual or cultural advisor, or a school for religious instruction conducted and maintained by ~~some~~ a church, or association of churches, or any Sunday school association incorporated under the laws of this state, or any auxiliary thereof. This ~~school for religious~~ instruction must be conducted and maintained in a place other than a public school building, and it must not, in whole or in part, be conducted and maintained at public expense. ~~However, A child may be absent from school on such days as that the child attends upon instruction according to the ordinances of some church this clause.~~

(b) Notwithstanding subdivision 6, paragraph (a), a parent may withdraw a child from an all-day, every day kindergarten program and put their child in a half-day program, if offered, or an alternate-day program without being truant. A school board must excuse a kindergarten child from a part of a school day at the request of the child's parent.

EFFECTIVE DATE. This section is effective for the 2024-2025 school year and later.

Sec. 2. [120B.213] HEALTHY AGING AND DEMENTIA EDUCATION.

School districts and charter schools are encouraged to provide instruction on healthy aging and dementia to students in grades 6 through 12 that is aligned with local health standards and integrated into existing programs, curriculum, or the general school environment of a district or charter school. The commissioner of education, in consultation with the commissioner of health and dementia advocacy organizations, must, by July 1, 2025, and July 1 of each odd-numbered year thereafter, provide districts and charter schools with age-appropriate resources on healthy aging and dementia including but not limited to strategies to maintain brain health, information on Alzheimer's disease and other forms of dementia, and caring for an elder with a cognitive impairment.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 3. Minnesota Statutes 2023 Supplement, section 121A.20, subdivision 2, is amended to read:

Subd. 2. **Definition.** For purposes of this section, "health services specialist" means a professional registered nurse who:

- (1) is licensed as a public health nurse in Minnesota;
- (2) is licensed as a school nurse in Minnesota;

(3) has a minimum of three years of experience in school nursing services or as a public health nurse serving schools; and

(4) has experience in managing a districtwide health policy, ~~overseeing a budget, and supervising personnel; and.~~

(5) ~~has a graduate degree in nursing, public health, education, or a related field.~~

Sec. 4. [121A.216] ACCESS TO SPACE FOR MENTAL HEALTH CARE THROUGH TELEHEALTH.

Subdivision 1. Access to space. (a) To the extent space is available, a school district or charter school must provide an enrolled secondary school student with access during regular school hours, and to the extent staff is available, before or after the school day on days when students receive instruction at school, to space at the school site that a student may use to receive mental health care through telehealth from a student's licensed mental health provider. A secondary school must develop a plan with procedures to receive requests for access to the space. A school must make the space available beginning October 1, 2024.

(b) The space must provide a student privacy to receive mental health care.

(c) A student may use a school-issued device to receive mental health care through telehealth if such use is consistent with the district or school policy governing acceptable use of the school-issued device.

(d) A school may require a student requesting access to space under this section to submit to the school a signed and dated consent from the student's parent or guardian, or from the student if the student is age 16 or older, authorizing the student's licensed mental health provider to release information from the student's health record that is requested by the school to confirm the student is currently receiving mental health care from the provider. Such a consent is valid for the school year in which it is submitted.

Subd. 2. Immunity. Notwithstanding section 466.02, a school district or charter school is immune from liability for any tort claim based upon an act or omission of an officer or employee in the execution of this statute, unless the claim is based upon recklessness, gross negligence, or intentional misconduct.

EFFECTIVE DATE. This section is effective for the 2024-2025 school year and later.

Sec. 5. Minnesota Statutes 2022, section 121A.22, subdivision 2, is amended to read:

Subd. 2. **Exclusions.** In addition, this section does not apply to drugs or medicine that are:

(1) purchased without a prescription;

(2) used by a pupil who is 18 years old or older;

(3) used in connection with services for which a minor may give effective consent, including section 144.343, subdivision 1, and any other law;

(4) used in situations in which, in the judgment of the school personnel, including a licensed nurse, who are present or available, the risk to the pupil's life or health is of such a nature that drugs or medicine should be given without delay;

(5) used off the school grounds;

(6) used in connection with athletics or extra curricular activities;

(7) used in connection with activities that occur before or after the regular school day;

(8) provided or administered by a public health agency to prevent or control an illness or a disease outbreak as provided for in sections 144.05 and 144.12;

(9) prescription asthma or reactive airway disease medications self-administered by a pupil with an asthma inhaler, consistent with section 121A.221, if the district has received a written authorization from the pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly labeled for that student, and the parent has not requested school personnel to administer the medication to the pupil. The parent must submit written authorization for the pupil to self-administer the medication each school year; or

(10) epinephrine auto-injectors, consistent with section 121A.2205, if the parent and prescribing medical professional annually inform the pupil's school in writing that (i) the pupil may possess the epinephrine or (ii) the pupil is unable to possess the epinephrine and requires immediate access to epinephrine auto-injectors that the parent provides properly labeled to the school for the pupil as needed.

Sec. 6. Minnesota Statutes 2022, section 121A.22, subdivision 4, is amended to read:

Subd. 4. **Administration.** Drugs and medicine subject to this section must be administered in a manner consistent with instructions on the label. Drugs and medicine subject to this section must be administered, to the extent possible, according to school board procedures that must be developed in consultation:

(1) with a ~~school~~ licensed nurse, in a district that employs a ~~school~~ nurse licensed under section 148.171;

(2) with a licensed school nurse, in a district that employs a licensed school nurse licensed under Minnesota Rules, part 8710.6100;

(3) with a public or private health or health-related organization, in a district that contracts with a public or private health or health-related organization, according to section 121A.21; or

(4) with the appropriate party, in a district that has an arrangement approved by the commissioner of education, according to section 121A.21.

Sec. 7. Minnesota Statutes 2022, section 121A.2207, subdivision 1, is amended to read:

Subdivision 1. **Districts and schools permitted to maintain supply.** (a) Notwithstanding section 151.37, districts and schools may obtain and possess epinephrine auto-injectors to be maintained and administered by school personnel, including a licensed nurse, to a student or other

individual if, in good faith, it is determined that person is experiencing anaphylaxis regardless of whether the student or other individual has a prescription for an epinephrine auto-injector. The administration of an epinephrine auto-injector in accordance with this section is not the practice of medicine.

(b) Registered nurses may administer epinephrine auto-injectors in a school setting according to a condition-specific protocol as authorized under section 148.235, subdivision 8. Notwithstanding any limitation in sections 148.171 to 148.285, licensed practical nurses may administer epinephrine auto-injectors in a school setting according to a condition-specific protocol that does not reference a specific patient and that specifies the circumstances under which the epinephrine auto-injector is to be administered, when caring for a patient whose condition falls within the protocol.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 8. Minnesota Statutes 2022, section 121A.41, subdivision 8, is amended to read:

Subd. 8. **School.** "School" means any school defined in section 120A.05, subdivisions 9, 11, 13, and 17. "School" also means a charter school.

Sec. 9. **[121A.612] STUDENTS PULLED OUT OF CLASS; NOTICE AND RECORD KEEPING.**

(a) If a public school student is pulled out of class for an unscheduled removal that lasts more than ten minutes and the student did not request to be taken out of class or the student's parent did not know the student was pulled out of class, either the school principal or their designee or other person having general administrative control and supervision of the school or classroom teacher, within 24 hours, must make a good faith attempt to notify the student's parent or guardian by phone or by email and keep a record of the parental notification. The record of parental notification must record the date and time the attempt to notify was made. The record may be kept in a form and manner preferred by the individual creating the record and must be discarded at the end of the school year.

(b) A nonpublic school under section 123B.41, subdivision 9, is encouraged to adopt a policy consistent with this section.

EFFECTIVE DATE. This section is effective for the 2024-2025 school year and later.

Sec. 10. Minnesota Statutes 2022, section 128C.02, is amended by adding a subdivision to read:

Subd. 3c. **Eating disorder awareness.** The league must provide school coaches with eating disorder prevention education resources developed specifically for school coaches about the nature and risks of eating disorders, including the risk factors, mitigation strategies, effects, and risks of undiagnosed and untreated eating disorders, consistent with current medical research.

Sec. 11. Minnesota Statutes 2022, section 260E.14, subdivision 1, is amended to read:

Subdivision 1. **Facilities and schools.** (a) The local welfare agency is the agency responsible for investigating allegations of maltreatment in child foster care, family child care, legally nonlicensed child care, and reports involving children served by an unlicensed personal care provider organization

under section 256B.0659. Copies of findings related to personal care provider organizations under section 256B.0659 must be forwarded to the Department of Human Services provider enrollment.

(b) The Department of Human Services is the agency responsible for screening and investigating allegations of maltreatment in juvenile correctional facilities listed under section 241.021 located in the local welfare agency's county and in facilities licensed or certified under chapters 245A, 245D, and 245H, except for child foster care and family child care.

(c) The Department of Health is the agency responsible for screening and investigating allegations of maltreatment in facilities licensed under sections 144.50 to 144.58 and 144A.43 to 144A.482 or chapter 144H.

(d) The Department of Education is the agency responsible for screening and investigating allegations of maltreatment in a school as defined in section 120A.05, subdivisions 9, 11, and 13, and chapter 124E. The Department of Education's responsibility to screen and investigate includes allegations of maltreatment involving students at least 18 to 21 but not yet 22 years of age, including students receiving special education services, up to and including graduation and the issuance of a secondary or high school diploma.

(e) A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to this section and sections 260E.20 and 260E.22.

ARTICLE 9

EARLY LEARNING

Section 1. Minnesota Statutes 2022, section 120A.05, subdivision 10a, is amended to read:

Subd. 10a. **Kindergarten.** "Kindergarten" means a program designed for pupils five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter first grade the following school year. ~~A program designed for pupils younger than five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter kindergarten the following school year is a prekindergarten program.~~

Sec. 2. Minnesota Statutes 2022, section 120A.05, is amended by adding a subdivision to read:

Subd. 11a. **Prekindergarten.** "Prekindergarten" means a program designed for pupils younger than five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter kindergarten the following school year.

Sec. 3. Minnesota Statutes 2022, section 124D.151, as amended by Laws 2023, chapter 55, article 9, section 19; and article 10, section 1, is amended to read:

124D.151 VOLUNTARY PREKINDERGARTEN PROGRAM FOR ELIGIBLE FOUR-YEAR-OLD CHILDREN.

Subdivision 1. **Establishment; purpose.** A district, a charter school, a group of districts, a group of charter schools, or a group of districts and charter schools may establish a voluntary prekindergarten program for eligible four-year-old children. The purpose of a voluntary prekindergarten program is

to ~~prepare support children and their families and prepare them for success as they enter in kindergarten in the following year and beyond.~~

Subd. 2. **Program requirements.** (a) A voluntary prekindergarten program provider must:

(1) provide instruction through play-based learning to foster children's social and emotional development, cognitive development, physical and motor development, and language and literacy skills, including the native language and literacy skills of English learners, to the extent practicable;

(2) ~~measure assess each child's cognitive and social skills using a formative measure aligned to progress toward the state's early learning standards when the child enters and again before the child leaves the program, screening and progress monitoring measures, and other age-appropriate versions from the state-approved menu of kindergarten entry profile measures~~ using a commissioner-approved formative, developmentally appropriate assessment and report results and demographic data to the department in a form and manner prescribed by the commissioner;

(3) provide comprehensive program content aligned with the state early learning standards, including the implementation of curriculum, assessment, and intentional instructional strategies aligned with the state early learning standards, and kindergarten that support transition to kindergarten through grade 3 academic standards;

(4) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least 350 hours of instruction per school year for a prekindergarten student;

(5) provide voluntary prekindergarten instructional staff salaries comparable to the salaries of local kindergarten through grade 12 instructional staff;

(6) coordinate appropriate kindergarten transition with families, ~~community-based prekindergarten programs; offered by Head Start, licensed center and licensed family child care, community-based organizations,~~ and school district kindergarten programs;

(7) involve parents in program ~~planning~~ decision-making and transition planning by implementing parent engagement strategies that include culturally and linguistically responsive activities in prekindergarten through third grade that are aligned with early childhood family education under section 124D.13;

(8) coordinate with relevant community-based services, including health and social service agencies, to ensure children have access to comprehensive services;

(9) coordinate with all relevant school district programs and services including early childhood special education, homeless students, and English learners;

(10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

(11) provide high-quality coordinated professional development, training, and coaching for ~~both staff in school district and community-based early learning districts and in prekindergarten programs offered by Head Start, licensed center and licensed family child care providers, and community-based organizations~~ that is informed by a measure of adult-child interactions and enables teachers to be

highly knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and

(12) implement strategies that support the alignment of professional development, instruction, assessments, and prekindergarten through grade 3 curricula.

(b) A voluntary prekindergarten program must have teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction, and licensed according to section 122A.261.

~~(e) Districts and charter schools must include their strategy for implementing and measuring the impact of their voluntary prekindergarten program under section 120B.11 and provide results in their world's best workforce annual summary to the commissioner of education.~~

Subd. 3. **Mixed delivery of services program plan.** A district or charter school may contract with a charter school, Head Start ~~or child care centers, family child care programs licensed under section 245A.03~~ program, licensed center and licensed family child care, or a community-based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2. Components of a mixed-delivery plan include strategies for recruitment, contracting, and monitoring of fiscal compliance and program quality.

Subd. 4. **Eligibility.** ~~A~~ (a) An eligible child means a child who:

~~(1) is four years of age as of September 1 in the calendar year in which the school year commences is eligible to participate in a voluntary prekindergarten program free of charge. An eligible four-year-old child served in a mixed-delivery system by a child care center, family child care program licensed under section 245A.03, or community-based organization may be charged a fee as long as the mixed-delivery partner was not awarded a seat for that child; and~~

(2) meets at least one of the following criteria:

(i) qualifies for free or reduced-priced meals;

(ii) qualifies for the rate at application specified in section 119B.09, subdivision 1, paragraph (a), clause (2), in the current calendar year;

(iii) is an English language learner as defined by section 124D.59, subdivision 2;

(iv) is American Indian;

(v) has experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 1143a;

(vi) was identified as having a potential risk factor that may influence learning through health and developmental screening under sections 121A.16 to 121A.19;

(vii) is in foster care; is in kinship care, including children receiving Northstar kinship care assistance under chapter 256N; or is in need of child protection services;

(viii) has a parent who is a migrant or seasonal agricultural laborer under section 181.85;

(ix) has a parent who is incarcerated; or

(x) is defined as at-risk by the school district.

(b) School districts and charter schools must use state funding for eligible children to the extent it is available. A child may participate in a voluntary prekindergarten program on a fee-for-service basis if the child does not meet the eligibility criteria in paragraph (a) or state funding is not available. A school district or charter school must adopt a sliding-fee schedule based upon family income and must waive a fee for a participant unable to pay.

(c) Each eligible child must complete a health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

(d) A child with an individualized education program may not be excluded from participation in a program under this section if all other eligibility requirements are satisfied and the individualized education program team determines that with reasonable accommodations the child can fully participate and make progress toward their goals and objectives.

Subd. 5. **Application process; priority for high poverty schools.** (a) To qualify for program approval for fiscal year ~~2017~~ 2026, a district or charter school must submit an application to the commissioner by ~~July 1, 2016~~ January 30, 2025. Thereafter, the commissioner must accept applications and approve programs every four years. To qualify for program approval ~~for~~ after fiscal year ~~2018 and later~~ 2026, a school district or charter school must submit an application to the commissioner by January 30 of the fiscal year prior to the fiscal year in which the program will be implemented. The application must include:

(1) a description of the proposed program, including the number of hours per week the program will be offered at each school site or mixed-delivery location;

(2) an estimate of the number of eligible children to be served in the program at each school site or mixed-delivery location; and

(3) a statement of assurances signed by the superintendent or charter school director that the proposed program meets the requirements of subdivision 2.

(b) The commissioner must review all applications submitted for fiscal year ~~2017~~ by August 1, ~~2016, and must review all applications submitted for fiscal year 2018 and later~~ by March 1 of the fiscal year in which the applications are received and determine whether each application meets the requirements of paragraph (a).

(c) The commissioner must divide all applications for new or expanded voluntary prekindergarten programs under this section meeting the requirements of paragraph (a) and school readiness plus programs into four groups as follows: the Minneapolis and St. Paul school districts; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

(1) concentration of kindergarten students eligible for free or reduced-price meals by school site on October 1 of the previous school year. A school site may contract to partner with a community-based provider or Head Start under subdivision 3 or establish an early childhood center and use the concentration of kindergarten students eligible for free or reduced-price meals from a specific school site as long as those eligible children are prioritized and guaranteed services at the mixed-delivery site or early education center. For school district programs to be operated at locations that do not have free and reduced-price meals concentration data for kindergarten programs for October 1 of the previous school year, including mixed-delivery programs, the school district average concentration of kindergarten students eligible for free or reduced-price meals must be used for the rank ordering;

(2) presence or absence of a three- or four-star Parent Aware rated program within the school district or close proximity of the district. School sites with the highest concentration of kindergarten students eligible for free or reduced-price meals that do not have a three- or four-star Parent Aware program within the district or close proximity of the district shall receive the highest priority, and school sites with the lowest concentration of kindergarten students eligible for free or reduced-price meals that have a three- or four-star Parent Aware rated program within the district or close proximity of the district shall receive the lowest priority; and

(3) whether the district has implemented a mixed delivery system.

(d) The limit on participation for the programs as specified in subdivision 6 must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the participation limit ~~for fiscal years 2018 and 2019~~ must first be allocated to school sites approved for aid in the previous ~~year~~ allocation period to ensure that those sites are funded for the same number of participants as approved for the previous ~~year~~ allocation period. The remainder of the participation limit for each group must be allocated among school sites in priority order until that region's share of the participation limit is reached. If the participation limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis. ~~For fiscal year 2020 and later, the participation limit must first be allocated to school sites approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings under paragraph (c).~~

(e) Once a school site or a mixed delivery site under subdivision 3 is approved for aid under this subdivision, it shall remain eligible for aid if it continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price meals.

(f) If the total number of participants approved based on applications submitted under paragraph (a) is less than the participation limit under subdivision 6, the commissioner must notify all school districts and charter schools of the amount that remains available within 30 days of the initial application deadline under paragraph (a), and complete a second round of allocations based on applications received within 60 days of the initial application deadline.

(g) Procedures for approving applications submitted under paragraph (f) shall be the same as specified in paragraphs (a) to (d), except that the allocations shall be made to the highest priority school sites not funded in the initial allocation on a statewide basis.

(h) For nonapplication years, the commissioner must annually review the distribution of seat allocations and may redistribute them between sites within a district at the district's request and between districts for the year in which a district will not utilize its full allocation.

Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1, paragraph (c), the pupil units for a voluntary prekindergarten program for an eligible school district or charter school must not exceed 60 percent of the kindergarten pupil units for that school district or charter school under section 126C.05, subdivision 1, paragraph (d).

(b) In reviewing applications under subdivision 5, the commissioner must limit the total number of participants in the voluntary prekindergarten ~~and school readiness plus programs under Laws 2017, First Special Session chapter 5, article 8, section 9, program~~ to not more than 7,160 participants for fiscal years 2023, 2024, and 2025, and 12,360 participants for fiscal year 2026 and later.

Subd. 7. **Financial accounting.** An eligible school district or charter school must record expenditures attributable to voluntary prekindergarten pupils according to guidelines prepared by the commissioner under section 127A.17.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 4. Minnesota Statutes 2023 Supplement, section 124D.165, subdivision 2, is amended to read:

Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship, parents or guardians must have an eligible child and meet at least one of the following requirements:

(1) have income equal to or less than:

(i) the at-application rate specified in section 119B.09, subdivision 1, paragraph (a), clause (2), in the current calendar year; or

(ii) beginning July 1, 2025, the rate specified in United States Code, title 42, section 9858n(4)(B), as adjusted for family size;

(2) be able to document their child's current participation in the free and reduced-price meals program or Child and Adult Care Food Program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or

(3) have or be a child referred as in need of child protection services or placed in foster care under section 260C.212.

(b) An "eligible child" means a child who has not yet enrolled in kindergarten and is not yet five years of age on September 1 of the current school year.

(c) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(d) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(e) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Sec. 5. Minnesota Statutes 2023 Supplement, section 124D.165, subdivision 2a, is amended to read:

Subd. 2a. **Applications; priorities.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meet the operational needs of eligible families and programs.

(b) The commissioner must give highest priority to applications from children who:

(1) are not yet four years of age;

(2) have a parent under age 21 who is pursuing a high school diploma or a course of study for a high school equivalency test;

(3) are in foster care;

(4) have been referred as in need of child protection services;

(5) have an incarcerated parent;

(6) are in or have a parent in a substance use treatment program;

(7) are in or have a parent in a mental health treatment program;

(8) have experienced domestic violence; ~~or~~

(9) have an individualized education program or individualized family service plan; or

~~(9)~~ (10) have experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 1143a.

(c) Notwithstanding paragraph (b), beginning July 1, 2025, the commissioner must give highest priority to applications from children in families with income equal to or less than the rate specified under subdivision 2, paragraph (a), clause (1), item (i), and within this group must prioritize children who meet one or more of the criteria listed in paragraph (b).

(d) The commissioner may prioritize applications on additional factors, including but not limited to availability of funding, family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

Sec. 6. **REVISOR INSTRUCTION.**

The revisor of statutes shall remove the terms "school readiness plus" or "school readiness plus programs" wherever they appear in Minnesota Statutes, chapters 119B, 121A, 122A, 124D, 126C, or 179A. The revisor shall also make necessary cross-reference changes, technical language, and other changes necessitated by the changes in this act.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 7. **REPEALER.**

Laws 2017, First Special Session chapter 5, article 8, section 9, is repealed.

EFFECTIVE DATE. This section is effective July 1, 2025.

ARTICLE 10

EDUCATION PARTNERSHIPS AND COMPACTS

Section 1. Minnesota Statutes 2022, section 127A.70, subdivision 1, is amended to read:

Subdivision 1. **Establishment; membership.** (a) A P-20 education partnership is established to create a seamless system of education that maximizes achievements of all students, from early childhood through elementary, secondary, and postsecondary education, while promoting the efficient use of financial and human resources. The partnership shall consist of major statewide educational groups or constituencies or noneducational statewide organizations with a stated interest in P-20 education. The initial membership of the partnership includes the members serving on the Minnesota P-16 Education Partnership and four legislators appointed as follows:

(1) one senator from the majority party and one senator from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(2) one member of the house of representatives appointed by the speaker of the house and one member appointed by the minority leader of the house of representatives.

(b) The chair of the P-16 education partnership must convene the first meeting of the P-20 partnership. Prospective members may be nominated by any partnership member and new members will be added with the approval of a two-thirds majority of the partnership. The partnership will also seek input from nonmember organizations whose expertise can help inform the partnership's work.

(c) Partnership members shall be represented by the chief executives, presidents, or other formally designated leaders of their respective organizations, or their designees. The partnership shall meet at least three times during each calendar year.

~~(d) The P-20 education partnership shall be the state council for the Interstate Compact on Educational Opportunity for Military Children under section 127A.85 with the commissioner or commissioner's designee serving as the compact commissioner responsible for the administration and management of the state's participation in the compact. When conducting business required under section 127A.85, the P-20 partnership shall include a representative from a military installation appointed by the adjutant general of the Minnesota National Guard.~~

Sec. 2. [127A.82] MILITARY INTERSTATE CHILDREN'S COMPACT STATE COUNCIL.

Subdivision 1. **Establishment; membership.** (a) A Military Interstate Children's Compact State Council is established to provide for the coordination among state agencies, local education agencies, and military installations concerning the state's participation in, and compliance with the Interstate Compact on Educational Opportunity for Military Children established in section 127A.85, otherwise known as the Military Interstate Children's Compact, and Interstate Commission activities.

(b) Council membership must include at least:

(1) the commissioner;

(2) a superintendent, appointed by the commissioner, of a school district or charter school with a high concentration of military children;

(3) a representative from a military installation appointed by the adjutant general;

(4) one member of the house of representatives appointed by the speaker of the house;

(5) one member of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(6) other offices and stakeholder groups the council deems appropriate.

If the commissioner determines there is not a school district deemed to contain a high concentration of military children, the commissioner may appoint a superintendent from another school district to represent local education agencies on the council.

(c) The council must appoint or designate a military family education liaison to assist military families and the state in facilitating the implementation of section 127A.85.

(d) The compact commissioner responsible for the administration and management of the state's participation in the compact must be appointed by the commissioner.

(e) The compact commissioner and the military family education liaison designated herein shall be ex officio members of the council, unless either is already a full voting member of the council.

Subd. 2. **Powers and duties; report.** (a) The council may develop recommendations to the governor and the legislature designed to facilitate successful educational transitions for children of military families under the compact.

(b) The commissioner must schedule and hold a meeting of the council no less than once per state fiscal year.

(c) The council must produce meeting agendas that are made publicly available before each meeting and maintain meeting minutes that are made publicly available once they are approved by the council.

(d) By January 15 of each odd-numbered year, the council shall submit a report to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over kindergarten through grade 12 education policy and finance and military affairs that summarizes the council's progress in meeting its goals and identifies the need for any draft legislation to facilitate successful educational transitions for children of military families.

Sec. 3. [127A.84] INTRASTATE STUDENT TRANSFERS FOR CHILDREN OF MILITARY SERVICE MEMBERS.

(a) Notwithstanding section 127A.85, article III, and for the purposes of intrastate student transfers between Minnesota public schools, the provisions of the Interstate Compact on Educational Opportunity for Military Children in section 127A.85 apply to minor dependent children of members of the active and activated reserve components of the uniformed services, including but not limited to members of the Minnesota Army National Guard and the Minnesota Air National Guard.

(b) This section does not apply to interstate transfers between Minnesota public schools and public or private schools in other states.

(c) For the purposes of this section, the words defined in section 127A.85, article II, have the same meanings."

Delete the title and insert:

"A bill for an act relating to education; modifying provisions for prekindergarten through grade 12 education including general education, education excellence, teachers, Read Act, special education, charter schools, nutrition and libraries, health and safety, early learning, and education partnerships and compacts; requiring reports; amending Minnesota Statutes 2022, sections 120A.05, subdivision 10a, by adding a subdivision; 120A.22, subdivision 12; 120A.35; 120B.022, subdivisions 1a, 1b; 120B.11, by adding a subdivision; 120B.13, subdivision 4; 120B.234, subdivisions 1, 2; 121A.22, subdivisions 2, 4; 121A.2207, subdivision 1; 121A.41, subdivision 8; 122A.091, subdivision 5; 122A.181, by adding a subdivision; 122A.182, by adding a subdivision; 122A.185, subdivision 3; 122A.20, by adding a subdivision; 123B.09, subdivision 10; 123B.37, subdivision 2; 124D.151, as amended; 124D.60, subdivision 1; 124D.61; 124E.01, subdivision 1; 124E.05, subdivisions 2, 3, 5; 124E.07; 124E.10, subdivisions 2, 4, 5; 124E.12, subdivision 2; 124E.14; 124E.17; 124E.26; 125A.02, subdivision 1a; 125A.27, subdivision 8; 125A.56, subdivision 1; 127A.70, subdivision 1; 128C.02, by adding a subdivision; 260E.14, subdivision 1; Minnesota Statutes 2023 Supplement, sections 13.32, subdivision 5; 120B.021, subdivision 1; 120B.024, subdivision 1; 120B.1117; 120B.1118, subdivisions 4, 7, 10, by adding a subdivision; 120B.117, subdivision 4; 120B.12, subdivisions 1, 2, 2a, 4, 4a; 120B.123, subdivisions 1, 2, 5; 120B.30, subdivisions 7, 12, by adding a subdivision; 120B.302; 120B.305; 120B.31, subdivision 4; 120B.36, subdivision 1; 121A.20, subdivision 2; 121A.642, by adding a subdivision; 122A.18, subdivision 1; 122A.181, subdivision 2; 122A.183, subdivision 2; 122A.184, subdivision 1; 122A.185, subdivision 1; 122A.40, subdivision

8; 122A.41, subdivision 5; 122A.631, subdivisions 2, 4; 122A.70, subdivision 2; 124D.09, subdivision 5; 124D.094, subdivisions 2, 3; 124D.111, subdivision 2a; 124D.165, subdivisions 2, 2a; 124D.42, subdivision 8; 124E.02; 124E.03, subdivision 2; 124E.06, subdivisions 1, 4, 5; 124E.11; 124E.12, subdivision 1; 124E.16, subdivision 1; 125A.08; 126C.40, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 127A; 134; repealing Minnesota Statutes 2022, sections 120B.31, subdivisions 2, 6; 122A.2451, subdivision 9; Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 4; Laws 2017, First Special Session chapter 5, article 8, section 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator McEwen from the Committee on Labor, to which was referred

S.F. No. 3852: A bill for an act relating to labor and industry; making policy and technical changes to construction codes and licensing provisions; amending Minnesota Statutes 2022, sections 326B.0981, subdivisions 3, 4, 8; 326B.33, subdivisions 7, 21; 326B.36, subdivision 2; Minnesota Statutes 2023 Supplement, section 326B.36, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

CONSTRUCTION CODES AND LICENSING

Section 1. Minnesota Statutes 2022, section 326.02, subdivision 5, is amended to read:

Subd. 5. **Limitation.** The provisions of sections 326.02 to 326.15 shall not apply to the preparation of plans and specifications for the erection, enlargement, or alteration of any building or other structure by any person, for that person's exclusive occupancy or use, unless such occupancy or use involves the public health or safety or the health or safety of the employees of said person, or of the buildings listed in section 326.03, subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor to a registered engineer, landscape architect, architect, or certified interior designer, nor to any standardized manufactured product, nor to any construction superintendent supervising the execution of work designed by an architect, landscape architect, engineer, or certified interior designer licensed or certified in accordance with section 326.03, nor to the planning for and supervision of the construction and installation of work by an electrical or elevator contractor or master plumber as defined in and licensed pursuant to chapter 326B, nor to the planning for and supervision of the construction and installation of work by a licensed well contractor as defined and licensed pursuant to chapter 103I, where such work is within the scope of such licensed activity and not within the practice of professional engineering, or architecture, or where the person does not claim to be a certified interior designer as defined in subdivision 2, 3, or 4b.

Sec. 2. Minnesota Statutes 2022, section 326B.0981, subdivision 3, is amended to read:

Subd. 3. **Content.** (a) Continuing education consists of approved courses that impart appropriate and related knowledge in the regulated industries pursuant to this chapter and other applicable federal and state laws, rules, and regulations. Courses may include relevant materials that are included in

licensing exams subject to the limitations imposed in subdivision 11. The burden of demonstrating that courses impart appropriate and related knowledge is upon the person seeking approval or credit.

(b) Except as required for Internet continuing education, course examinations will not be required for continuing education courses.

(c) If textbooks are not used as part of the course, the sponsor must provide students with a syllabus containing the course title; the times and dates of the course offering; the name, address, and telephone number of the course sponsor; the name and affiliation of the instructor; and a detailed outline of the subject materials to be covered. Any written or printed material given to students must be of readable quality and contain accurate and current information.

(d) Upon completion of an approved course, licensees shall earn one hour of continuing education credit for each classroom hour approved by the commissioner. Each continuing education course must be attended in its entirety in order to receive credit for the number of approved hours. Courses may be approved for full or partial credit, and for more than one regulated industry.

(e) Continuing education credit in an approved course shall be awarded to presenting instructors on the basis of one credit for each hour of the initial presentation. Continuing education credits for completion of an approved course may only be used once for renewal of a specific license.

(f) Courses will be approved using the following guidelines:

(1) course content must demonstrate significant intellectual or practical content and deal with matters directly related to the practice in the regulated industry, workforce safety, or the business of running a company in the regulated industry. Courses may also address the professional responsibility or ethical obligations of a licensee related to work in the regulated industry;

(2) the following courses may be approved if they are specifically designed for the regulated industry and are in compliance with paragraph (g):

(i) courses approved by the Minnesota Board of Continuing Legal Education; or

(ii) courses approved by the International Code Council, National Association of Home Building, or other nationally recognized professional organization of the regulated industry; and

(3) courses must be presented and attended in a suitable classroom or construction setting, except for Internet education courses which must meet the requirements of subdivision ~~5a~~ 4. Courses presented via video recording, simultaneous broadcast, or teleconference may be approved provided the sponsor is available at all times during the presentation, except for Internet education courses which must meet the requirements of subdivision ~~5a~~ 4.

(g) The following courses will not be approved for credit:

(1) courses designed solely to prepare students for a license examination;

(2) courses in mechanical office skills, including typing, speed reading, or other machines or equipment. Computer courses are allowed, if appropriate and related to the regulated industry;

(3) courses in sales promotion, including meetings held in conjunction with the general business of the licensee;

(4) courses in motivation, salesmanship, psychology, or personal time management;

(5) courses that are primarily intended to impart knowledge of specific products of specific companies, if the use of the product or products relates to the sales promotion or marketing of one or more of the products discussed; or

(6) courses where any of the educational content of the course is the State Building Code that include code provisions that have not been adopted into the State Building Code unless the course materials clarify that the code provisions have been officially adopted into a future version of the State Building Code and the effective date of enforcement.

(h) Nothing in this subdivision shall limit an authority expressly granted to the Board of Electricity, Board of High Pressure Piping Systems, or Plumbing Board.

Sec. 3. Minnesota Statutes 2022, section 326B.0981, subdivision 4, is amended to read:

Subd. 4. **Internet continuing education.** (a) The design and delivery of an Internet continuing education course must be approved by the International Distance Education Certification Center (IDECC) or the International Association for Continuing Education and Training (IACET) before the course is submitted for the commissioner's approval. The approval must accompany the course submitted.

(b) Paragraphs (a) and ~~(e)~~ (d) do not apply to approval of an Internet continuing education course for manufactured home installers. An Internet continuing education course for manufactured home installers must be approved by the United States Department of Housing and Urban Development or by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

(c) Paragraph (a) does not apply to approval of an Internet continuing education course for elevator constructors. An Internet continuing education course for elevator constructors must be approved by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

~~(e)~~ (d) An Internet continuing education course must:

(1) specify the minimum computer system requirements;

(2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;

(3) include technology to guarantee seat time;

(4) include a high level of interactivity;

(5) include graphics that reinforce the content;

(6) include the ability for the student to contact an instructor or course sponsor within a reasonable amount of time;

(7) include the ability for the student to get technical support within a reasonable amount of time;

(8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;

(9) be available 24 hours a day, seven days a week, excluding minimal downtime for updating and administration, except that this provision does not apply to live courses taught by an actual instructor and delivered over the Internet;

(10) provide viewing access to the online course at all times to the commissioner, excluding minimal downtime for updating and administration;

(11) include a process to authenticate the student's identity;

(12) inform the student and the commissioner how long after its purchase a course will be accessible;

(13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;

(14) provide clear instructions on how to navigate through the course;

(15) provide automatic bookmarking at any point in the course;

(16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;

(17) include a reinforcement response when a quiz question is answered correctly;

(18) include a response when a quiz question is answered incorrectly;

(19) include a final examination in which the student must correctly answer 70 percent of the questions;

(20) allow the student to go back and review any unit at any time, except during the final examination;

(21) provide a course evaluation at the end of the course. At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method;

(22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient and shall include the name of the provider, date and location of the course, educational program identification that was provided by the department, hours of instruction or continuing education hours, and licensee's or attendee's name and license, certification, or registration number or the last four digits of the licensee's or attendee's Social Security number; and

(23) allow the commissioner the ability to electronically review the class to determine if credit can be approved.

~~(d)~~ (e) The final examination must be either an encrypted online examination or a paper examination that is monitored by a proctor who certifies that the student took the examination.

Sec. 4. Minnesota Statutes 2022, section 326B.0981, subdivision 8, is amended to read:

Subd. 8. **Facilities.** Except for Internet education offered pursuant to subdivision ~~5a~~ 4, each course of study must be conducted in a classroom or other facility that is adequate to comfortably accommodate the instructors and the number of students enrolled. The sponsor may limit the number of students enrolled in a course.

Sec. 5. Minnesota Statutes 2022, section 326B.33, subdivision 7, is amended to read:

Subd. 7. **Power limited technician.** (a) Except as otherwise provided by law, no individual shall install, alter, repair, plan, lay out, or supervise the installing, altering, repairing, planning, or laying out of electrical wiring, apparatus, or equipment for technology circuits or systems unless:

(1) the individual is licensed by the commissioner as a power limited technician; and

(2) the electrical work is:

(i) for a licensed contractor and the individual is an employee, partner, or officer of, or is the licensed contractor; or

(ii) performed under the direct supervision of a master electrician or power limited technician also employed by the individual's employer on technology circuits, systems, apparatus, equipment, or facilities that are owned or leased by the employer and that are located within the limits of property operated, maintained, and either owned or leased by the employer.

(b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course offered by an accredited college or university; or (2) have had at least 36 months' experience, acceptable to the commissioner, in planning for, laying out, supervising, installing, altering, and repairing wiring, apparatus, or equipment for power limited systems, provided however, that up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the commissioner may be allowed.

(c) Licensees must attain 16 hours of continuing education acceptable to the board every renewal period.

~~(d) A company holding an alarm and communication license as of June 30, 2003, may designate one individual who may obtain a power limited technician license without passing an examination administered by the commissioner by submitting an application and license fee of \$30.~~

~~(e) A person who has submitted an application by December 30, 2007, to take the power limited technician examination administered by the department is not required to meet the qualifications set forth in paragraph (b).~~

Sec. 6. Minnesota Statutes 2022, section 326B.33, subdivision 21, is amended to read:

Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

(1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

(i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and

(3) the individual's employer has on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

(1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;

(2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or

(3) technology circuits or systems in hazardous classified locations as covered by ~~chapter 5 of~~ the National Electrical Code.

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.

(e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:

(1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which:

(i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company; and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or

(3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.

(f) An owner shall not be individual who physically performs electrical work on a residential dwelling that is located on a property the individual owns and actually occupies as a residence or owns and will occupy as a residence upon completion of its construction is not required to hold or obtain a license under sections 326B.31 to 326B.399 if the residential dwelling has a separate electrical utility service not shared with any other residential dwelling.

(g) Companies and their employees licensed under section 326B.164 shall not be required to hold or obtain a license under sections 326B.31 to 326B.399 while performing elevator work.

Sec. 7. Minnesota Statutes 2022, section 326B.36, subdivision 2, is amended to read:

Subd. 2. **Technology systems.** (a) The installation of the technology circuits or systems described in paragraph (b), except:

(1) minor work performed by a contractor;

(2) work performed by a heating, ventilating, or air conditioning contractor as described in section 326B.38; and

(3) work performed by cable company employees when installing cable communications systems or telephone company employees when installing telephone systems,

must be inspected as provided in this section for compliance with the applicable provisions of the National Electrical Code and the applicable provisions of the National Electrical Safety Code, as those codes were approved by the American National Standards Institute.

(b) The inspection requirements in paragraph (a) apply to:

(1) class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems exempted by section 326B.33, subdivision 21, paragraph (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or technology circuits and systems in hazardous classified locations as covered by ~~chapter 5~~ of the National Electrical Code;

(2) fire alarm systems, other than in one- or two-family dwellings, as defined in ~~articles 100 and 760~~ of the National Electrical Code;

(3) technology circuits and systems contained within critical care areas of health care facilities as defined by the safety standards identified in section 326B.35, including, but not limited to, anesthesia and resuscitative alarm and alerting systems, medical monitoring, and nurse call systems; and

(4) physical security systems within detention facilities; ~~and.~~

~~(5) circuitry and equipment for indoor lighting systems as defined in article 411 of the National Electrical Code.~~

(c) For the purposes of this subdivision "minor work" means the adjustment or repair and replacement of worn or defective parts of a technology circuit or system. Minor work may be inspected under this section at the request of the owner of the property or the person doing the work.

(d) Notwithstanding this subdivision, if an electrical inspector observes that a contractor, employer, or owner has not complied with accepted standards when the work was performed, as provided in the most recent editions of the National Electrical Code and the National Electrical Safety Code as approved by the American National Standards Institute, the inspector may order the contractor, employer, or owner who has performed the work to file a request for electrical inspection, an electrical permit, pay an inspection fee, and make any necessary repairs to comply with applicable standards and require that the work be inspected.

Sec. 8. Minnesota Statutes 2023 Supplement, section 326B.36, subdivision 7, is amended to read:

Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall not be subject to inspection under sections 326B.31 to 326B.399:

(1) when owned or leased, operated and maintained by any employer whose maintenance electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing electrical maintenance work only as defined by rule;

(2) when owned or leased, and operated and maintained by any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or telephone company as defined under section 237.01, in the exercise of its utility, antenna, or telephone function; and

(i) are used exclusively for the generations, transformation, distribution, transmission, load control, or metering of electric current, or the operation of railway signals, or the transmission of intelligence, and do not have as a principal function the consumption or use of electric current by or for the benefit of any person other than such utility, cable communications company, or telephone company; and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(3) when used in the street lighting operations of an electrical utility;

(4) when used as outdoor area lights which are owned and operated by an electrical utility and which are connected directly to its distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction;

(5) when the installation, material, and equipment are in facilities subject to the jurisdiction of the federal Mine Safety and Health Act; or

(6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326B.164, is required to obtain a permit from the authority having jurisdiction as provided by section 326B.184, and the inspection has been or will be performed by an elevator inspector certified and licensed by the department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under the National Electrical Code ~~Article 620~~, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.

Sec. 9. Minnesota Statutes 2022, section 326B.46, subdivision 6, is amended to read:

Subd. 6. **Well contractor exempt from licensing and bond; conditions.** No license, registration, or bond under sections 326B.42 to 326B.49 is required of a well contractor or a limited well/boring contractor who is licensed and bonded under section 103I.525 or 103I.531 and is engaged in the work or business of designing and installing:

(1) water service pipe from a well to a pressure tank;

(2) a frost-free water hydrant with an antisiphon device on a well water service pipe located entirely outside of a building requiring potable water;

- (3) a control valve, located outside the building, on a well water service pipe; or
- (4) a main control valve located within two feet of the pressure tank on the distribution supply line.

ARTICLE 2

LABOR STANDARDS

Section 1. Minnesota Statutes 2022, section 13.79, subdivision 1, is amended to read:

Subdivision 1. **Identity of employees making complaints complainants.** Data that identify ~~complainant employees and that appear on complaint forms received by~~ individuals who have complained to the Department of Labor and Industry concerning alleged violations of ~~the Fair Labor Standards Act, section 181.75 or 181.9641, chapter 177; chapter 181; sections 179.86 to 179.877; chapter 181A; or rules adopted pursuant to these statutes,~~ are classified as private data. The commissioner may disclose this data to other government entities with written consent from the complainant if the commissioner determines that the disclosure furthers an enforcement action of the Department of Labor and Industry or another government entity.

Sec. 2. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 2, is amended to read:

Subd. 2. **Submission of records; penalty.** (a) The commissioner may require the employer of employees working in the state to submit to the commissioner photocopies, certified copies, or, if necessary, the originals of employment records which the commissioner deems necessary or appropriate. The records which may be required include full and correct statements in writing, including sworn statements by the employer, containing information relating to wages, hours, names, addresses, and any other information pertaining to the employer's employees and the conditions of their employment as the commissioner deems necessary or appropriate.

(b) Employers and persons requested by the commissioner to produce records shall respond within the time and in the manner specified by the commissioner.

(c) The commissioner may require the records to be submitted by certified mail delivery or, if necessary, by personal delivery by the employer or a representative of the employer, as authorized by the employer in writing.

(d) The commissioner may fine the employer up to \$10,000 for each failure to submit or deliver records as required by this section. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.

Sec. 3. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended to read:

Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64, 181.722, 181.79, 181.85 to 181.89, 181.939 to 181.943,

181.9445 to 181.9448, 181.987, 181.991, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner. For the purposes of this subdivision, an employer includes a contractor that has assumed a subcontractor's liability within the meaning of section 181.165.

Sec. 4. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 7, is amended to read:

Subd. 7. **Employer liability.** If an employer is found by the commissioner to have violated a section identified in subdivision 4, or any rule adopted under section 177.28, 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take such affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner shall order the employer to pay to the aggrieved parties back pay, gratuities, and compensatory damages, less any amount actually paid to the employee by the employer, and for an additional equal amount as liquidated damages. The commissioner may also order reinstatement and any other appropriate relief to the aggrieved parties. Any employer who is found by the commissioner to have repeatedly or willfully violated a section or sections identified in subdivision 4 shall be subject to a civil penalty of up to \$10,000 for each violation for each employee. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered. In addition, the commissioner may order the employer to reimburse the department and the attorney general for all appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish escrow accounts for purposes of distributing damages.

Sec. 5. Minnesota Statutes 2022, section 177.30, is amended to read:

177.30 KEEPING RECORDS; PENALTY.

(a) Every employer subject to sections 177.21 to 177.44 must make and keep a record of:

(1) the name, address, and occupation of each employee;

(2) the rate of pay, and the amount paid each pay period to each employee;

(3) the hours worked each day and each workweek by the employee, including for all employees paid at piece rate, the number of pieces completed at each piece rate;

(4) a list of the personnel policies provided to the employee, including the date the policies were given to the employee and a brief description of the policies;

(5) a copy of the notice provided to each employee as required by section 181.032, paragraph (d), including any written changes to the notice under section 181.032, paragraph (f);

(6) for each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the employer shall furnish under oath signed by an owner or officer of an employer to the contracting authority and the project owner every two weeks, a certified payroll report with respect to the wages and benefits paid each employee during the preceding weeks specifying for each employee: name; identifying number; prevailing wage master job classification; hours worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions; net pay for week; dollars contributed per hour for each benefit, including name and address of administrator; benefit account number; and telephone number for health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit programs; ~~and~~

(7) earnings statements for each employee for each pay period as required by section 181.032, paragraphs (a) and (b); and

(8) other information the commissioner finds necessary and appropriate to enforce sections 177.21 to 177.435. The records must be kept for three years in the premises where an employee works except each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the records must be kept for three years after the contracting authority has made final payment on the public works project.

(b) All records required to be kept under paragraph (a) must be readily available for inspection by the commissioner upon demand. The records must be either kept at the place where employees are working or kept in a manner that allows the employer to comply with this paragraph within 72 hours.

(c) The commissioner may fine an employer up to \$1,000 for each failure to maintain records as required by this section, and up to \$5,000 for each repeated failure. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.

(d) If the records maintained by the employer do not provide sufficient information to determine the exact amount of back wages due an employee, the commissioner may make a determination of wages due based on available evidence.

Sec. 6. Minnesota Statutes 2023 Supplement, section 177.42, subdivision 2, is amended to read:

Subd. 2. **Project.** "Project" means demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a public building, structure, facility, land, or other public work, which includes any work suitable for and intended for use by the public, or for the public benefit, financed in whole or part by state funds. Project also includes demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a building, structure, facility, land, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds.

Sec. 7. Minnesota Statutes 2023 Supplement, section 181.212, subdivision 7, is amended to read:

Subd. 7. **Voting.** The affirmative vote of five board members is required for the board to take any action, including actions necessary to establish minimum nursing home employment standards under section 181.213. At least two of the five affirmative votes must be cast by the commissioner members or the commissioner's appointees.

Sec. 8. Minnesota Statutes 2023 Supplement, section 181.939, subdivision 2, is amended to read:

Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth upon request, with the advice of a licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of a licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent or longer restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. Reasonable accommodation may include but is not limited to temporary transfer to a less strenuous or hazardous position, temporary leave of absence, modification in work schedule or job assignments, seating, more frequent or longer break periods, and limits to heavy lifting. Notwithstanding any other provision of this subdivision, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this subdivision and shall not be required to discharge an employee, transfer another employee with greater seniority, or promote an employee.

(b) Nothing in this subdivision shall be construed to affect any other provision of law relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

(c) An employer shall not require an employee to take a leave or accept an accommodation.

(d) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under this subdivision.

(e) For the purposes of this subdivision, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(f) During any leave for which an employee is entitled to benefits or leave under this subdivision, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.

Sec. 9. Minnesota Statutes 2022, section 181.941, subdivision 4, is amended to read:

Subd. 4. **Continued insurance.** ~~The employer must continue to make coverage available to the employee while on leave of absence under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.~~ During any leave for which an employee is entitled to benefits or leave under this section, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.

Sec. 10. Minnesota Statutes 2022, section 181.943, is amended to read:

181.943 RELATIONSHIP TO OTHER LEAVE.

(a) The length of leave provided under section 181.941 may be reduced by any period of:

(1) paid parental, disability, personal, medical, or sick leave, or accrued vacation provided by the employer so that the total leave does not exceed 12 weeks, unless agreed to by the employer; or

(2) leave taken for the same purpose by the employee under United States Code, title 29, chapter 28.

(b) Nothing in sections 181.940 to 181.943 prevents any employer from providing leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise affects an employee's rights with respect to any other employment benefit.

(c) Notwithstanding paragraphs (a) and (b), the length of leave provided under section 181.941 must not be reduced by any period of paid or unpaid leave taken for prenatal care medical appointments.

Sec. 11. Minnesota Statutes 2022, section 181A.08, is amended to read:

181A.08 POWERS AND DUTIES OF THE DEPARTMENT.

Subdivision 1. **Inspections.** The commissioner, an authorized representative, or any truant officer may enter and inspect the place of business or employment and may interview any employees, of any employer of employees in any occupation in the state, all for the purpose of ascertaining whether any minors are employed contrary to the provisions of sections 181A.01 to 181A.12. Such authorized persons may require that employment certificates, age certificates, and lists of minors employed shall be produced for their inspection.

Subd. 2. **Compliance orders.** The commissioner or an authorized representative may issue an order requiring an employer to comply with the provisions of sections 181A.01 to 181A.12 or with

any rules promulgated under the provisions of section 181A.09. Any such order shall be served by the department upon the employer or an authorized representative in person or by certified mail at the employers place of business. If an employer wishes to contest the order for any reason, the employer shall file written notice of objection with the commissioner within ~~ten~~ 15 calendar days after service of said order upon said employer. Thereafter, a public hearing shall be held in accordance with the provisions of sections 14.57 to 14.69, and such rules consistent therewith as the commissioner shall make. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

Subd. 2a. **Employer liability.** If an employer is found by the commissioner to have violated any provision of sections 181A.01 to 181A.12, or any rules promulgated under section 181A.09, and the commissioner issues an order to comply under subdivision 2, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner may order the employer to reimburse the department and the attorney general for appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c).

Subd. 3. Restraining orders. The commissioner or an authorized representative may apply to any court of competent jurisdiction for an order restraining the violation of an order issued by the commissioner pursuant to subdivision 2, or for an order enjoining and restraining violations of this chapter or rules adopted pursuant to section 181A.09.

Sec. 12. Minnesota Statutes 2022, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. Fines; penalty. (a) Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are ~~in~~ up to the amounts as follows for each violation:

(1)	employment of minors under the age of 14 (each employee)	\$	500
(2)	employment of minors under the age of 16 during school hours while school is in session (each employee)		500

(3)	employment of minors under the age of 16 before 7:00 a.m. (each employee)	500
(4)	employment of minors under the age of 16 after 9:00 p.m. (each employee)	500
(5)	employment of a high school student under the age of 18 in violation of section 181A.04, subdivision 6 (each employee)	1,000
(6)	employment of minors under the age of 16 over eight hours a day (each employee)	500
(7)	employment of minors under the age of 16 over 40 hours a week (each employee)	500
(8)	employment of minors under the age of 18 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	1,000
(9)	employment of minors under the age of 16 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	1,000
(10)	minors under the age of 18 injured in hazardous employment (each employee)	5,000
(11)	minors employed without proof of age (each employee)	250

(b) An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

(c) Notwithstanding the factors in section 14.045, subdivision 3, the commissioner need only consider the size of the business of the employer, the gravity of the violation, and the history of previous violations when determining the total amount of fines to issue under this subdivision.

Sec. 13. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:

Subd. 4. **Liquidated damages.** An employer who employs a minor in violation of section 181A.04, subdivision 5, may be liable to the minor for an amount equal to the minor's regular rate of pay for all hours worked in violation of section 181A.04, subdivision 5, as liquidated damages, in addition to the wages earned by the minor.

Sec. 14. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:

Subd. 5. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under sections 181A.01 to 181A.12 or any rules promulgated under section 181A.09, including but not limited to filing a complaint with the department, informing the employer of the employee's intention to file a complaint, or participating in an investigation by the department. In addition to any other remedies provided by law, the commissioner may order an employer in violation of this subdivision to provide back pay, compensatory damages, reinstatement, and any other appropriate relief to the aggrieved employee.

ARTICLE 3**OCCUPATIONAL SAFETY AND HEALTH**

Section 1. Minnesota Statutes 2023 Supplement, section 182.6526, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The terms defined in this subdivision have the meanings given.

(b) "Aggregated employee work speed data" means a compilation of employee work speed data for multiple employees, in summary form, assembled in full or in another form such that the data cannot be identified with any individual.

(c) "Commissioner" means the commissioner of labor and industry.

(d)(1) Except as provided in clause (2), "employee" means ~~an employee~~ a person who meets the definition in section 182.651, subdivision 9, and who works at a warehouse distribution center.

(2) For the purposes of subdivisions 2, 3, and 4 only, "employee" means a ~~nonexempt employee performing~~ person who meets the definition in section 182.651, subdivision 9; does not meet any of the exceptions set forth in section 177.23, subdivision 7, clauses (1) to (19); and who performs warehouse work occurring on the property of a warehouse distribution center and. Employee does not include a nonexempt employee any person performing solely manufacturing, administrative, sales, accounting, human resources, or driving work at, or to and from, a warehouse distribution center.

(e) "Employee work speed data" means information an employer collects, stores, analyzes, or interprets relating to an individual employee's performance of a quota, including but not limited to quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, measurements or metrics of employee performance in relation to a quota, and time categorized as performing tasks or not performing tasks. Employee work speed data does not include itemized earnings statements pursuant to chapter 181, except for any content of those records that includes employee work speed data as defined in this paragraph.

(f) "Employer" means a person who meets the definition in section 182.651, subdivision 7, and who directly or indirectly, or through an agent or any other person, including through the services of a third-party employer, temporary service, or staffing agency or similar entity, employs or exercises control over the wages, hours, or working conditions of 250 or more employees at a single warehouse distribution center or 1,000 or more employees at one or more warehouse distribution centers in the state. For purposes of this paragraph, all employees of an employer's unitary business, as defined in section 290.17, subdivision 4, shall be counted in determining the number of employees employed at a single warehouse distribution center or at one or more warehouse distribution centers in the state.

(g) "Warehouse distribution center" means an establishment as defined by any of the following North American Industry Classification System (NAICS) codes:

(1) 493110 for General Warehousing and Storage;

- (2) 423 for Merchant Wholesalers, Durable Goods;
 - (3) 424 for Merchant Wholesalers, Nondurable Goods;
 - (4) 454110 for Electronic Shopping and Mail-Order Houses; and
 - (5) 492110 for Couriers and Express Delivery Services.
- (h) "Quota" means a work standard under which:

(1) an employee or group of employees is assigned or required to perform at a specified productivity speed, or perform a quantified number of tasks, or handle or produce a quantified amount of material, or perform without a certain number of errors or defects, as measured at the individual or group level within a defined time period; or

(2) an employee's actions are categorized and measured between time performing tasks and not performing tasks, and the employee's failure to complete a task performance standard may have an adverse impact on the employee's continued employment.

Sec. 2. Minnesota Statutes 2022, section 182.664, subdivision 3, is amended to read:

Subd. 3. **Powers and duties of board.** The review board shall review and decide appeals from final decisions and orders of the commissioner, including decisions issued by administrative law judges, petitions to vacate final orders of the commissioner, and with the agreement of the parties, may review and decide petitions for decisions based on stipulated facts. The powers of the board in the conduct of hearings, including the power to sign decisions and orders, may be delegated to a member, members, or the board chair. The board may schedule a hearing for purposes of taking oral argument. A notice stating the time and place of the hearing must be given ten days in advance of such a hearing to the parties and copies of the notice of such hearing shall be served by the employer as rules of the board shall require. The hearings shall be open to the public and the board's decisions and orders shall be maintained and available for examination. Chapter 13D does not apply to meetings or hearings of the board when the board is deliberating to reach its decision on an appeal or petition under its jurisdiction.

Sec. 3. Minnesota Statutes 2022, section 182.664, subdivision 5, is amended to read:

Subd. 5. **Authority of board; ~~standard scope of review.~~** (a) For the purpose of carrying out its functions under this chapter, two members of the board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members. The decisions and orders of an administrative law judge, or final orders of the commissioner, may be appealed to the review board by the employer, employee, or their authorized representatives or any party, within 30 days following service by mail of the administrative law judge's decision and order, or final order of the commissioner.

(b) The review board shall have authority to revise, ~~confirm~~ affirm, remand, or reverse the decision and order of administrative law judges, ~~or.~~

(c) The review board shall also have authority to affirm, or vacate and remand, final orders of the commissioner when a petition to vacate a final order is filed. The board shall only vacate and

remand a final order of the commissioner relating to a petition to vacate upon a showing of good cause. For purposes of this section, good cause is limited to fraud, mistake of fact ~~or~~ by the commissioner, mistake of law by the commissioner, or newly discovered evidence.

Sec. 4. Minnesota Statutes 2022, section 182.665, is amended to read:

182.665 JUDICIAL REVIEW.

Any person aggrieved by a final order of the board in a contested case, by a final order of the board on a petition to vacate a final order of the commissioner, or by any standard, rule, or order promulgated by the commissioner, is entitled to judicial review thereof in accordance with the applicable provisions of chapter 14.

Sec. 5. Minnesota Statutes 2022, section 182.666, subdivision 6, is amended to read:

Subd. 6. **Authority to assess fines; considerations.** Only the commissioner shall have authority to assess all proposed fines provided in this section, ~~giving. Notwithstanding the factors in section 14.045, subdivision 3, the commissioner must give due consideration only to the following factors:~~

- (1) appropriateness of the fine with respect to the size of the business of the employer;
- (2) the gravity of the violation;
- (3) the good faith of the employer; and
- (4) the history of previous violations.

Sec. 6. Minnesota Statutes 2022, section 182.667, is amended by adding a subdivision to read:

Subd. 4. **Investigative data.** The commissioner may share active and inactive civil investigative data pursuant to section 13.39 with a city or county attorney for purposes of enforcing this section. The commissioner may share complete data and need not withhold any data under the requirements of chapter 13 or 182 or any other state privacy law.

Sec. 7. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this subdivision apply unless otherwise specified.

(b) "Health care facility" means a hospital with a North American Industrial Classification system code of 622110, 622210, or 622310; an outpatient surgical center with a North American Industrial Classification system code of 621493; and a nursing home with a North American Industrial Classification system code of 623110.

(c) "Warehouse distribution center" means ~~an employer~~ a site in Minnesota with 100 or more employees ~~in Minnesota~~ and a North American Industrial Classification system code of 493110, 423110 to 423990, 424110 to 424990, 454110, or 492110.

(d) "Meatpacking site" means a ~~meatpacking or poultry processing site in Minnesota~~ with 100 or more employees ~~in Minnesota~~ and a North American Industrial Classification system code of 311611 to 311615, except 311613.

(e) "Musculoskeletal disorder" or "MSD" means a disorder of the muscles, nerves, tendons, ligaments, joints, cartilage, blood vessels, or spinal discs.

Sec. 8. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 2, is amended to read:

Subd. 2. **Ergonomics program required.** (a) Every employer with employees at a licensed health care facility, warehouse distribution center, or meatpacking site in the state shall create and implement an effective written ergonomics program establishing the employer's plan to minimize the risk of its employees developing or aggravating musculoskeletal disorders. The ergonomics program shall focus on eliminating the risk. To the extent risk exists, the ergonomics program must include feasible administrative or engineering controls to reduce the risk.

(b) The program shall include:

- (1) an assessment to identify and reduce musculoskeletal disorder risk factors in the facility;
- (2) an initial and ongoing training of employees on ergonomics and its benefits, including the importance of reporting early symptoms of musculoskeletal disorders;
- (3) a procedure to ensure early reporting of musculoskeletal disorders to prevent or reduce the progression of symptoms, the development of serious injuries, and lost-time claims;
- (4) a process for employees to provide possible solutions that may be implemented to reduce, control, or eliminate workplace musculoskeletal disorders;
- (5) procedures to ensure that physical plant modifications and major construction projects are consistent with program goals; and
- (6) annual evaluations of the ergonomics program and whenever a change to the work process occurs.

ARTICLE 4

APPRENTICESHIP POLICY

Section 1. Minnesota Statutes 2022, section 13.7905, is amended by adding a subdivision to read:

Subd. 10. **Apprentice data.** Apprentice data reported to, maintained by, or collected by the department is governed by section 178.071.

Sec. 2. Minnesota Statutes 2023 Supplement, section 178.01, is amended to read:

178.01 PURPOSES.

The purposes of this chapter are: to open to all people regardless of race, color, creed, religion, national origin, sex, ~~creed, color or national origin~~, gender identity, sexual orientation, marital status, familial status, disability, status with regard to public assistance, or age the opportunity to obtain training and on-the-job learning that will equip them for profitable employment and citizenship; to establish as a means to this end, a program of voluntary apprenticeship under approved apprenticeship agreements providing facilities for their training and guidance in the arts, skills, and crafts of industry and trade or occupation, with concurrent, supplementary instruction in related subjects; to promote apprenticeship opportunities under conditions providing adequate training and on-the-job learning and reasonable earnings; to relate the supply of skilled workers to employment demands; to establish standards for apprentice training; to establish an Apprenticeship Advisory Board and apprenticeship committees to assist in effectuating the purposes of this chapter; to provide for a Division of Apprenticeship within the Department of Labor and Industry; ~~to provide for reports to the legislature regarding the status of apprentice training in the state;~~ to establish a procedure for the determination of apprenticeship agreement controversies; and to accomplish related ends.

Sec. 3. Minnesota Statutes 2022, section 178.011, subdivision 9, is amended to read:

Subd. 9. **Journeyworker.** "Journeyworker" means a person who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the trade or occupation. Use of the term may also refer to a mentor, technician, specialist, or other skilled worker who has documented sufficient skills and knowledge of an occupation, either through formal apprenticeship or through practical on-the-job experience and formal training.

Sec. 4. Minnesota Statutes 2022, section 178.012, subdivision 1, is amended to read:

Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship ~~in effect on January 18, 2017,~~ as provided by Code of Federal Regulations, title 29, parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in this state, subject to amendment by this chapter or by rule under section 178.041.

Sec. 5. Minnesota Statutes 2022, section 178.035, subdivision 2, is amended to read:

Subd. 2. **Provisional approval.** The division shall grant a provisional approval period of one year to an applicant demonstrating that the standards submitted meet the requirements of this chapter. The division may review each program granted provisional approval for quality and for conformity with the requirements of this section and section 178.036 at any time, but not less than biannually, during the provisional approval period. After review:

(1) a program that conforms with the requirements of this chapter:

(i) may be ~~approved~~ made permanent; or

(ii) may continue to be provisionally approved through the first full training cycle; and

(2) a program not in operation or not conforming with the requirements of this chapter during the provisional approval period shall be deregistered.

The division shall inform the applicant of the results of its review in writing at least 30 days prior to the expiration of the provisional approval period.

Sec. 6. Minnesota Statutes 2022, section 178.035, subdivision 4, is amended to read:

Subd. 4. **Program modification.** To apply for modification of or change to a registered program, a sponsor shall submit a written request for modification to the division. The division shall approve or disapprove a modification request within 90 days from the date of receipt. If approved, the modification or change must be recorded and acknowledged within 90 days of its approval as an amendment to the registered program. If not approved, the division shall notify the sponsor in writing of the disapproval and the reasons for the disapproval. The division may provide technical assistance to a sponsor seeking to modify or change a registered program. The division may require program modification to ensure standards of apprenticeship that comply with the requirements of Code of Federal Regulations, title 29, part 29, section 29.5, and this chapter.

Sec. 7. Minnesota Statutes 2022, section 178.035, subdivision 6, is amended to read:

Subd. 6. **Certificate.** Upon ~~registration~~ provisional approval of a program, the commissioner shall issue a certificate of registration to the sponsor. Within ~~30~~ 45 days after the certificate is mailed or otherwise delivered to the sponsor, the sponsor must submit to the commissioner a copy of at least one executed apprenticeship agreement.

Sec. 8. Minnesota Statutes 2022, section 178.035, subdivision 7, is amended to read:

Subd. 7. **Policy requirement.** It must be the policy of the employer and sponsor that the recruitment, selection, employment, and training of apprentices during their apprenticeship must be without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, ~~physical or mental~~ familial status, disability, ~~receipt of status with regard to public assistance~~, or age. The employer and sponsor must take affirmative action to provide equal opportunity in apprenticeship and must operate the apprenticeship program as required under Code of Federal Regulations, title 29, part 30, and under the Minnesota plan for equal opportunity in apprenticeship.

Sec. 9. Minnesota Statutes 2022, section 178.036, subdivision 3, is amended to read:

Subd. 3. **Related instruction.** A minimum of 144 hours of related instruction is required ~~in~~ each training cycle. At least 50 hours of related safety instruction is required during the term of apprenticeship. Time spent in related instruction cannot be considered as hours of work as required by the ~~job work~~ process schedule. Related instruction must be designated in hours for each individual trade or occupation included in the standards. Every apprenticeship instructor must meet the Department of Education's requirements for a ~~vocational-technical~~ career and technical education instructor or be a subject matter expert, which is an individual such as a journeyworker who is recognized within an industry as having expertise in a specific trade or occupation.

Sec. 10. Minnesota Statutes 2022, section 178.036, subdivision 4, is amended to read:

Subd. 4. **Job Work process schedule.** Each ~~time-based~~ apprenticeship program must include not less than 2,000 hours of reasonably continuous employment.

Sec. 11. Minnesota Statutes 2022, section 178.036, subdivision 5, is amended to read:

Subd. 5. **Ratios.** If the apprentice is covered by a collective bargaining agreement, the employer must follow the provisions of the collective bargaining agreement regarding the maximum number of apprentices to be employed at the work site for each journeyworker employed at the same work site. In the absence of a collective bargaining agreement, for the purposes of direct supervision and the safety and instruction of the apprentice, the ratio shall be:

(1) one apprentice for ~~the first~~ each journeyworker employed at the work site ~~plus one apprentice for each additional three journeyworkers employed at the work site;~~ except that for occupations in the building and construction trades or any hazardous occupation as defined by section 181A.04, subdivision 5, one apprentice for the first journeyworker employed at the work site plus one apprentice for each additional three journeyworkers employed at the work site;

(2) the work site ratio utilized by the majority of registered apprenticeship agreements in the same trade or occupation; or

(3) a program-specific ratio that has been approved by the Apprenticeship Advisory Board.

Sec. 12. Minnesota Statutes 2022, section 178.036, subdivision 6, is amended to read:

Subd. 6. **Graduated schedule of wages.** The graduated schedule of wages for an apprenticeship program shall be calculated as a percentage of the journeyworker rate in the majority of registered apprenticeship agreements in the same trade or occupation in the state. If there are no registered apprenticeship agreements in the same trade or occupation, the graduated schedule of wages may be determined by the sponsor with the approval of the division.

Sec. 13. Minnesota Statutes 2022, section 178.036, subdivision 7, is amended to read:

Subd. 7. **Probationary period.** The standards must provide a period of probation of not more than ~~500 hours of employment and instruction extending over not more than four months~~ one year or 25 percent of the length of the program, whichever is shorter, during which time the apprenticeship agreement shall be terminated by the director upon written request of either party, and providing that after such probationary period the apprenticeship agreement may be terminated by the director by mutual agreement of all parties thereto, or terminated by the director for good and sufficient reason.

Sec. 14. Minnesota Statutes 2022, section 178.044, subdivision 3, is amended to read:

Subd. 3. **Journeyworker wage rate.** If the apprentice is not covered by a collective bargaining agreement, the journeyworker wage rate upon which the apprenticeship agreement graduated schedule of wages is calculated shall be:

(1) the most current Minnesota state prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located. If an apprenticeship agreement ~~entered into after January 1, 2015,~~ does not specify fringe benefits, the journeyworker wage rate upon which the apprentice wage rate is calculated must be the total rate listed in the wage determination; or

(2) if there is no Minnesota prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located, the journeyworker wage may be determined by the sponsor with the approval of the division.

Sec. 15. Minnesota Statutes 2022, section 178.07, subdivision 1, is amended to read:

Subdivision 1. **Approval required.** (a) The division shall approve, if it determines that it is in the best interest of the apprentice, an apprenticeship agreement prepared by the sponsor on a form provided by the commissioner that meets the standards established in this section.

(b) ~~All terminations, cancellations, and transfers of apprenticeship agreements shall be approved by the division in writing.~~ The division must be notified in writing by the sponsor within 45 days of all terminations, cancellations, or transfer of apprenticeship agreements.

Sec. 16. Minnesota Statutes 2022, section 178.07, subdivision 3, is amended to read:

Subd. 3. **Contents.** Every apprenticeship agreement entered into under this chapter shall contain:

- (1) the names of the contracting parties, and the signatures required by subdivision 2;
- (2) the date of birth, and information as to the race, ethnicity, and sex of the apprentice, and, on a voluntary basis, the apprentice's Social Security number, disability status, and veteran status;
- (3) contact information of the sponsor and the division;
- (4) a statement of the trade or occupation which the apprentice is to be taught, the date on which the apprenticeship will begin, and the number of hours to be spent by the apprentice in work and the number of hours to be spent in concurrent, related instruction;
- (5) a statement of the wages to be paid the apprentice under sections 178.036, subdivision 6, and 178.044, as applicable;
- (6) a statement listing any fringe benefits to be provided to the apprentice;
- (7) a statement incorporating as part of the agreement the registered standards of the apprenticeship program on the date of the agreement and as they may be amended during the period of the agreement;
- (8) a statement that the apprentice will be accorded equal opportunity in all phases of apprenticeship employment and training, without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, physical or mental familial status, disability, receipt of status with regard to public assistance, or age; and
- (9) such additional terms and conditions as may be prescribed or approved by the commissioner not inconsistent with the provisions of this chapter.

Sec. 17. [178.071] APPRENTICE DATA.

Subdivision 1. **Definition.** "Apprentice data" means data on individuals collected, maintained, used, or disseminated because an individual has applied for or has been submitted for registration

as an apprentice with the Division of Apprenticeship, or is currently or has been registered as an apprentice with the Division of Apprenticeship.

Subd. 2. **Classification.** Apprentice data are private data on individuals.

Subd. 3. **Data sharing.** Apprentice data may be shared with a state agency for the purpose of determining compliance with section 116J.871 or 177.41 to 177.44. The division may provide apprentice data to the United States Department of Labor.

Sec. 18. Minnesota Statutes 2022, section 178.09, subdivision 2, is amended to read:

Subd. 2. **Determination; appeal.** Within 90 days after the receipt of a complaint, the division must issue a determination. The determination of the division shall be filed with the commissioner and written notice shall be served on all parties affected by it. Any person aggrieved by any determination or action of the director may appeal to the commissioner. If no appeal is filed with the commissioner within ~~ten~~ 15 days of the date of service, the division's determination shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for it. Within 30 days after submission, the commissioner may adopt the recommended decision of the board, or disregard the recommended decision of the board and prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by it. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

Sec. 19. Minnesota Statutes 2022, section 178.091, subdivision 2, is amended to read:

Subd. 2. **Grounds.** (a) The commissioner may deregister a registered apprenticeship program or deny an application for registration if:

(1) the program does not comply with any requirement of Code of Federal Regulations, title 29, part 29 or ~~32~~ 30, this chapter, or any rule adopted pursuant to section 178.041;

(2) the program does not have at least one registered apprentice in each trade or occupation, except for the following specified periods of time:

(i) within the first ~~30~~ 45 days after the date a program is registered; or

(ii) within one year of the date that a program graduates an apprentice in a trade or occupation and the date of registration for the next apprentice in that trade or occupation; or

(3) the program is not conducted, operated, or administered in accordance with the program's registered standards or with the requirements of this chapter, including but not limited to:

(i) failure to provide on-the-job learning;

(ii) failure to provide related instruction;

(iii) failure of an employer to pay the apprentice a progressively increasing schedule of wages consistent with the apprentice's skills acquired; or

(iv) persistent and significant failure to perform successfully.

(b) The commissioner may deregister an apprenticeship program at the written request of the sponsor in a manner consistent with the provisions of Code of Federal Regulations, title 29, part 29, section 29.8(a).

Sec. 20. Minnesota Statutes 2022, section 178.091, subdivision 4, is amended to read:

Subd. 4. ~~Orders; hearings related to orders~~ **Corrective action.** ~~(a) If the commissioner determines that a registered apprenticeship program should be deregistered or that an application for registration should be denied, the commissioner shall issue to and serve on the sponsor an order deregistering the program's registration or denying the application for registration. a notice to correct containing the following:~~

~~(b) An order issued under this subdivision must specify:~~

(1) the deficiency and the required remedy or corrective action;

(2) the time period to effectuate the required remedy or corrective action, which shall be no less than 30 days and no more than 90 60 days; and

(3) any other requirement consistent with Code of Federal Regulations, title 29, part 29, section 29.8(b).

~~(c) The sponsor to whom the commissioner issues an order under this subdivision may appeal to a hearing board appointed consistent with section 178.09, subdivision 2.~~

Sec. 21. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 5. **Denial of application.** If an applicant for registration does not take the required corrective action within the allotted time, the commissioner may deny the application for registration.

Sec. 22. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 6. **Order of deregistration.** If the registered apprenticeship program does not take the required corrective action within the allotted time, the commissioner may issue an order of deregistration containing the following:

(1) that certain deficiencies were identified in the notice to correct and the registered apprenticeship program did not take the required corrective action;

(2) based on the deficiencies stated in the notice to correct and the failure of the registered apprentice program to remedy those deficiencies, a determination has been made that there is reasonable cause to deregister the program;

(3) that the registered apprenticeship program may appeal this determination within 15 days to the commissioner consistent with subdivision 7; and

(4) that, if the registered apprenticeship program does not appeal the determination, the order becomes final.

Sec. 23. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 7. **Appeal.** Any person aggrieved by an order of deregistration may appeal to the commissioner. If no appeal is filed with the commissioner within 15 days of the date of service, the order of deregistration shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for the recommended decision. Within 30 days after submission, the commissioner may adopt the recommended decision of the board or disregard the recommended decision of the board and prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by the commissioner's determination. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

Sec. 24. Minnesota Statutes 2022, section 178.10, is amended to read:

178.10 LIMITATION.

(a) The provisions of this chapter shall have no application to those individuals who are apprenticed by the commissioner of corrections pursuant to sections 242.43 and 242.44.

(b) Nothing in this chapter or any apprenticeship agreement operates to invalidate:

(1) any apprenticeship provision in any collective bargaining agreement between employers and employees establishing higher apprenticeship standards; or

(2) any special provision for veterans, ~~minority persons~~ people of color, individuals with a disability, or women, in the standards, apprentice qualifications, or operation of the program or in the apprenticeship agreement which is not otherwise prohibited by law.

Sec. 25. **REPEALER.**

(a) Minnesota Rules, part 5200.0400, is repealed.

(b) Minnesota Statutes 2022, section 178.036, subdivision 10, is repealed.

ARTICLE 5

BUREAU OF MEDIATION SERVICES

Section 1. Minnesota Statutes 2022, section 179.01, subdivision 1, is amended to read:

Subdivision 1. ~~Words, terms, and phrases~~ **Scope.** Unless the language or context clearly indicates that a different meaning is intended, the ~~following words, terms, and phrases, for the purposes of sections 179.01 to 179.17, shall be given the meanings subjoined to them defined in this section have the meanings given them for purposes of sections 179.01 to 179.17.~~

Sec. 2. Minnesota Statutes 2022, section 179.01, subdivision 9, is amended to read:

Subd. 9. **Lockout.** "Lockout" ~~is~~ means the refusal of the employer to furnish work to employees as a result of a labor dispute.

Sec. 3. Minnesota Statutes 2022, section 179.01, subdivision 16, is amended to read:

Subd. 16. **Professional strikebreaker.** (a) "Professional strikebreaker" means any person who:

~~(a)~~ (1) makes an offer to an employer at whose place of business a labor dispute is presently in progress to work as a replacement for an employee or employees involved in such labor dispute; and

~~(b)~~ (2) during a period of five years immediately preceding such offer, has, on more than one occasion, made an offer to employers to work as a temporary employee to personally replace employees involved in labor disputes.

(b) For the purposes of this subdivision;

(1) "work" ~~shall mean~~ means the rendering of services for wages or other consideration. ~~For the purposes of this subdivision; and~~

(2) "offer" ~~shall include~~ includes arrangements made for or on behalf of employers by any person.

Sec. 4. Minnesota Statutes 2022, section 179.06, is amended to read:

179.06 COLLECTIVE BARGAINING AGREEMENTS.

Subdivision 1. **Notices.** (a) When any employee, employees, or representative of employees, or labor organization shall desire to negotiate a collective bargaining agreement, or make any change in any existing agreement, or shall desire any changes in the rates of pay, rules or working conditions in any place of employment, it shall give written notice to the employer of its demand, which notice shall follow the employer if the place of employment is changed, and it shall thereupon be the duty of the employer and the representative of employee or labor organization to endeavor in good faith

to reach an agreement respecting such demand. An employer shall give a like notice to employees, representative, or labor organizations of any intended change in any existing agreement. If no agreement is reached at the expiration of ten days after service of such notice, any employees, representative, labor organization, or employer may at any time thereafter petition the commissioner of mediation services to take jurisdiction of the dispute and it shall be unlawful for any labor organization or representative to institute or aid in the conduct of a strike or for an employer to institute a lockout, unless such petition has been served by the party taking such action upon the commissioner and the other parties to the labor dispute at least ten days before the strike or lockout becomes effective. Unless the strike or lockout is commenced within 90 days from the date of service of the petition upon the commissioner, it shall be unlawful for any of the parties to institute or aid in the conduct of a strike or lockout without serving a new petition in the manner prescribed for the service of the original petition, provided that the 90-day period may be extended by written agreement of the parties filed with the commissioner.

(b) A petition by the employer shall be signed by the employer or a duly authorized officer or agent; and a petition by the employees shall be signed by their representative or its officers, or by the committee selected to negotiate with the employer. In either case the petition shall be served by delivering it to the commissioner in person or by sending it by certified mail addressed to the commissioner at the commissioner's office. The petition shall state briefly the nature of the dispute and the demands of the party who serves it. Upon receipt of a petition, the commissioner shall fix a time and place for a conference with the parties to the labor dispute upon the issues involved in the dispute, and shall then take whatever steps the commissioner deems most expedient to bring about a settlement of the dispute, including assisting in negotiating and drafting a settlement agreement. It shall be the duty of all parties to a labor dispute to respond to the summons of the commissioner for joint or several conferences with the commissioner and to continue in such conference until excused by the commissioner, not beyond the ten-day period heretofore prescribed except by mutual consent of the parties.

Subd. 2. **Commissioner, powers and duties.** The commissioner may at the request of either party to a labor dispute render assistance in settling the dispute without the necessity of filing the formal petition ~~referred to in~~ under subdivision 1. If the commissioner takes jurisdiction of the dispute as a result of such a request, the commissioner ~~shall~~ must then proceed ~~as provided in~~ according to subdivision 1.

Sec. 5. Minnesota Statutes 2022, section 179.08, is amended to read:

179.08 POWERS OF COMMISSION APPOINTED BY COMMISSIONER.

(a) The commission appointed by the commissioner pursuant to the provisions of section 179.07 shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence which relates to any matter involved in any such hearing, and may by its chair administer oaths and affirmations, and may examine witnesses. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing, but whenever practical hearings shall be held in a county where the labor dispute has arisen or exists.

(b) In case of contumacy or refusal to obey a subpoena issued under paragraph (a), the district court of the state for the county where the proceeding is pending or in which the person guilty of

such contumacy or refusal to obey is found, or resides, or transacts business, or application by the commission shall have jurisdiction to issue to such person an order requiring such person to appear before the commission, there to produce evidence as so ordered, or there to give testimony touching the matter under investigation or in question, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Any party to or party affected by the dispute may appear before the commission in person or by attorney or by their representative, and shall have the right to offer competent evidence and to be heard on the issues before the report of the commission is made.

(d) ~~Any commissioners so appointed shall~~ commission members appointed under section 179.07 must be paid a per diem allowance not to exceed that established for arbitrators in section 179A.16, subdivision 8, and their necessary expenses while serving.

Sec. 6. Minnesota Statutes 2022, section 179.11, is amended to read:

179.11 EMPLOYEE UNFAIR LABOR PRACTICES.

(a) ~~It shall be~~ is an unfair labor practice:

(1) for any employee or labor organization to institute a strike if such strike is a violation of any valid collective agreement between any employer and its employees or labor organization and the employer is, at the time, in good faith complying with the provisions of the agreement, or to violate the terms and conditions of such bargaining agreement;

(2) for any employee or labor organization to institute a strike if the calling of such strike is in violation of sections 179.06 or 179.07;

(3) for any person to seize or occupy property unlawfully during the existence of a labor dispute;

(4) for any person to picket or cause to be picketed a place of employment of which place the person is not an employee while a strike is in progress affecting the place of employment, unless the majority of persons engaged in picketing the place of employment at these times are employees of the place of employment;

(5) for more than one person to picket or cause to be picketed a single entrance to any place of employment where no strike is in progress at the time;

(6) for any person to interfere in any manner with the operation of a vehicle or the operator thereof when neither the owner nor operator of the vehicle is at the time a party to a strike;

(7) for any employee, labor organization, or officer, agent, or member thereof, to compel or attempt to compel any person to join or to refrain from joining any labor organization or any strike against the person's will by any threatened or actual unlawful interference with the person, or immediate family member, or physical property, or to assault or unlawfully threaten any such person while in pursuit of lawful employment;

(8) unless the strike has been approved by a majority vote of the voting employees in a collective bargaining unit of the employees of an employer or association of employers against whom such strike is primarily directed, for any person or labor organization to cooperate in engaging in,

promoting, or inducing a strike. Such vote shall be taken by secret ballot at an election called by the collective bargaining agent for the unit, and reasonable notice shall be given to all employees in the collective bargaining unit of the time and place of election; or

(9) for any person or labor organization to hinder or prevent by intimidation, force, coercion or sabotage, or by threats thereof, the production, transportation, processing or marketing by a producer, processor or marketing organization, of agricultural products, or to combine or conspire to cause or threaten to cause injury to any processor, producer or marketing organization, whether by withholding labor or other beneficial intercourse, refusing to handle, use or work on particular agricultural products, or by other unlawful means, in order to bring such processor or marketing organization against its will into a concerted plan to coerce or inflict damage upon any producer; provided that nothing in this subsection shall prevent a strike which is called by the employees of such producer, processor or marketing organization for the bona fide purpose of improving their own working conditions or promoting or protecting their own rights of organization, selection of bargaining representative or collective bargaining.

~~The violation of clauses (2), (3), (4), (5), (6), (7), (8) and (9) are hereby declared to be unlawful acts.~~

(b) It is an unlawful act to violate paragraph (a), clause (2), (3), (4), (5), (6), (7), (8), or (9).

Sec. 7. Minnesota Statutes 2022, section 179.12, is amended to read:

179.12 ~~EMPLOYERS'~~ EMPLOYER UNFAIR LABOR PRACTICES.

(a) It is an unfair labor practice for an employer:

(1) to institute a lockout of its employees in violation of a valid collective bargaining agreement between the employer and its employees or labor organization if the employees at the time are in good faith complying with the provisions of the agreement, or to violate the terms and conditions of the bargaining agreement;

(2) to institute a lockout of its employees in violation of section 179.06 or 179.07;

(3) to encourage or discourage membership in a labor organization by discrimination in regard to hire or tenure of employment or any terms or conditions of employment; provided, that this clause does not apply to the provisions of collective bargaining agreements entered into voluntarily by an employer and its employees or a labor organization representing the employees as a bargaining agent, as provided by section 179.16;

(4) to discharge or otherwise to discriminate against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under this chapter;

(5) to spy directly or through agents or any other persons upon activities of employees or their representatives in the exercise of their legal rights;

(6) to distribute or circulate a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing individuals who are blacklisted from obtaining or retaining employment;

(7) to engage or contract for the services of a person who is an employee of another if the employee is paid a wage that is less than the wage to be paid by the engaging or contracting employer under an existing union contract for work of the same grade or classification;

(8) willfully and knowingly to utilize a professional strikebreaker to replace an employee or employees involved in a strike or lockout at a place of business located within this state; or

(9) to grant or offer to grant the status of permanent replacement employee to a person for performing bargaining unit work for an employer during a lockout of employees in a labor organization or during a strike of employees in a labor organization authorized by a representative of employees.

~~The violation of (b) It is an unlawful act to violate paragraph (a), clause (2), (4), (5), (6), (7), (8), or (9) is an unlawful act.~~

Sec. 8. Minnesota Statutes 2022, section 179.254, subdivision 1, is amended to read:

Subdivision 1. **Scope.** For the purposes of sections 179.254 to ~~179.256~~ 179.257, the ~~following~~ terms ~~shall~~ defined in this section have the meanings ~~subscribed to~~ given them.

Sec. 9. Minnesota Statutes 2022, section 179.256, is amended to read:

179.256 NOTIFICATION NOTIFYING CONSTRUCTION WORKER OF REIMBURSEMENT.

Whenever a construction worker may qualify for the reimbursement of benefit payments to a ~~home~~ benefit fund ~~as described in~~ under section 179.255, the trustees of the benefit fund of which the worker is a member, or their agent, shall so notify the trustees of the benefit fund to which payments will be made during the temporary period of work. Such notification shall be made promptly in writing and shall include the name, address, and Social Security number of the construction worker and the starting date of the temporary period of work.

Sec. 10. Minnesota Statutes 2022, section 179.26, is amended to read:

179.26 DEFINITIONS; ~~CERTAIN REPRESENTATION DISPUTES.~~

When used in sections 179.26 to 179.29, unless the context clearly indicates otherwise, ~~each of the following words:~~ "employee," "labor organization," "strike," and "lockout" ~~shall~~ have the ~~meaning ascribed to it~~ meanings given them in section 179.01.

Sec. 11. Minnesota Statutes 2022, section 179.27, is amended to read:

179.27 STRIKES OR BOYCOTTS PROHIBITED.

When certification of a representative of employees for collective bargaining purposes has been made by proper federal or state authority, it is unlawful during the effective period of such certification

for any employee, representative of employees, or labor organization to conduct a strike or boycott against the employer of such employees or to picket any place of business of the employer in order, by such strike, boycott, or picketing; to:

(1) ~~to~~ deny the right of the representative so certified to act as such representative ~~or;~~

(2) ~~to~~ prevent such representative from acting as authorized by such certification; ~~or~~

(3) ~~to~~ interfere with the business of the employer in an effort to do either act ~~specified in clauses~~ under clause (1) and or (2) hereof.

Sec. 12. Minnesota Statutes 2022, section 179.35, subdivision 1, is amended to read:

Subdivision 1. **Scope.** Unless the language or context clearly indicates that a different meaning is intended, the ~~following words, terms and phrases, for the purposes of sections 179.35 to 179.39,~~ shall be given defined in this section have the meanings subjoined to given them for purposes of sections 179.35 to 179.39.

Sec. 13. Minnesota Statutes 2022, section 179.40, is amended to read:

179.40 SECONDARY BOYCOTT; ~~DECLARATION OF PUBLIC POLICY.~~

(a) As a guide to the interpretation and application of sections 179.40 to 179.47, the public policy of this state is declared to be:

(1) to protect and promote the interests of the public, employees, and employers alike, with due regard to the situation and to the rights of the others;

(2) to promote industrial peace, regular and adequate income for employees, and uninterrupted production of goods and services; and

(3) to reduce the serious menace to the health, morals, and welfare of the people of this state arising from economic insecurity due to stoppages and interruptions of business and employment.

(b) It is recognized that whatever may be the rights of disputants with respect to each other in any controversy, they should not be permitted, in their controversy, to intrude directly into the primary rights of third parties to earn a livelihood, transact business, and engage in the ordinary affairs of life by lawful means and free from molestation, interference, restraint, or coercion. The legislature, therefore, declares that, in its considered judgment, the public good and the general welfare of the citizens of this state will be promoted by prohibiting secondary boycotts and other coercive practices in this state.

Sec. 14. Minnesota Statutes 2022, section 179.43, is amended to read:

179.43 ILLEGAL COMBINATION; ~~VIOLATION OF VIOLATING PUBLIC POLICY.~~

A secondary boycott as ~~hereinbefore~~ defined under section 179.41 is ~~hereby declared to be~~ an illegal combination in restraint of trade and in violation of the public policy of this state.

Sec. 15. Minnesota Statutes 2022, section 179A.02, is amended to read:

179A.02 CITATION.

Sections 179A.01 to 179A.25 ~~shall be known~~ may be cited as the "Public Employment Labor Relations Act."

Sec. 16. Minnesota Statutes 2022, section 179A.03, subdivision 17, is amended to read:

Subd. 17. **Supervisory employee.** (a) "Supervisory employee" means a person who has the authority to undertake a majority of the following supervisory functions in the interests of the employer: hiring, transfer, suspension, promotion, discharge, assignment, reward, or discipline of other employees, direction of the work of other employees, or adjustment of other employees' grievances on behalf of the employer. To be included as a supervisory function which the person has authority to undertake, the exercise of the authority by the person may not be merely routine or clerical in nature but must require the use of independent judgment. An employee, other than an essential employee, who has authority to effectively recommend a supervisory function, is deemed to have authority to undertake that supervisory function for the purposes of this subdivision. The administrative head of a municipality, municipal utility, or police or fire department, and the administrative head's assistant, are always considered supervisory employees.

(b) The removal of employees by the employer from a nonsupervisory appropriate unit for the purpose of designating the employees as "supervisory employees" shall require either the prior written agreement of the exclusive representative and the written approval of the commissioner or a separate determination by the commissioner before the redesignation is effective.

Sec. 17. Minnesota Statutes 2022, section 179A.06, subdivision 1, is amended to read:

Subdivision 1. ~~Expression of~~ **Expressing views.** (a) Sections 179A.01 to 179A.25 do not affect the right of any public employee or the employee's representative to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as this is not designed to and does not interfere with the full faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative. Sections 179A.01 to 179A.25 do not require any public employee to perform labor or services against the employee's will.

(b) If no exclusive representative has been certified, any public employee individually, or group of employees through their representative, has the right to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, by meeting with their public employer or the employer's representative, so long as this is not designed to and does not interfere with the full, faithful, and proper performance of the duties of employment.

Sec. 18. Minnesota Statutes 2022, section 179A.06, subdivision 2, is amended to read:

Subd. 2. **Right to organize.** (a) Public employees have the right to form and join labor or employee organizations, and have the right not to form and join such organizations. Public employees in an appropriate unit have the right by secret ballot to designate an exclusive representative to negotiate grievance procedures and the terms and conditions of employment with their employer. Confidential employees of the state, confidential court employees, and confidential University of Minnesota employees are excluded from bargaining. Supervisory and managerial court employees

are excluded from bargaining. Supervisory, managerial, and confidential employees of Hennepin Healthcare System, Inc., are excluded from bargaining. Other confidential employees, supervisory employees, principals, and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with sections 179A.01 to 179A.25, applicable to essential employees.

(b) Supervisory or confidential employee organizations shall not participate in any capacity in any negotiations which involve units of employees other than supervisory or confidential employees. Except for organizations which represent supervisors who are: (1) firefighters, emergency medical service employees certified under section 144E.28, 911 system public safety dispatchers, peace officers subject to licensure under sections 626.84 to 626.863, guards at correctional facilities, or employees at hospitals other than state hospitals; and (2) not state or University of Minnesota employees, a supervisory or confidential employee organization which is affiliated with another employee organization which is the exclusive representative of nonsupervisory or nonconfidential employees of the same public employer shall not be certified, or act as, an exclusive representative for the supervisory or confidential employees. For the purpose of this subdivision, affiliation means either direct or indirect and includes affiliation through a federation or joint body of employee organizations.

Sec. 19. Minnesota Statutes 2022, section 179A.06, subdivision 3, is amended to read:

Subd. 3. **Fair share fee.** (a) An exclusive representative may require employees who are not members of the exclusive representative to contribute a fair share fee for services rendered by the exclusive representative. The fair share fee must be equal to the regular membership dues of the exclusive representative, less the cost of benefits financed through the dues and available only to members of the exclusive representative. In no event may the fair share fee exceed 85 percent of the regular membership dues. The exclusive representative shall provide advance written notice of the amount of the fair share fee to the employer and to unit employees who will be assessed the fee. The employer shall provide the exclusive representative with a list of all unit employees.

(b) A challenge by an employee or by a person aggrieved by the fee must be filed in writing with the commissioner, the public employer, and the exclusive representative within 30 days after receipt of the written notice. All challenges must specify those portions of the fee challenged and the reasons for the challenge. The burden of proof relating to the amount of the fair share fee is on the exclusive representative. The commissioner shall hear and decide all issues in these challenges.

(c) The employer shall deduct the fee from the earnings of the employee and transmit the fee to the exclusive representative 30 days after the written notice was provided. If a challenge is filed, the deductions for a fair share fee must be held in escrow by the employer pending a decision by the commissioner.

Sec. 20. Minnesota Statutes 2022, section 179A.08, subdivision 2, is amended to read:

Subd. 2. **Meet and confer.** The professional employees shall select a representative to meet and confer with a representative or committee of the public employer on matters not specified under section 179A.03, subdivision 19, relating to the services being provided to the public. The public

employer shall provide the facilities and set the time for these ~~conferences~~ meetings to take place. The parties shall meet at least once every four months.

Sec. 21. Minnesota Statutes 2022, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. **Exclusions.** (a) The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;

(3) positions of all unclassified employees appointed by a constitutional officer;

(4) positions in the Bureau of Mediation Services and the Public Employment Relations Board;

(5) positions of employees whose classification is pilot or chief pilot;

(6) administrative law judge and compensation judge positions in the Office of Administrative Hearings;

(7) positions of all confidential employees; and

(8) positions of employees of the State Board of Investment who are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b.

(b) The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 22. Minnesota Statutes 2022, section 179A.104, subdivision 1, is amended to read:

Subdivision 1. **Employee units.** (a) The state Board of Public Defense shall meet and negotiate with the exclusive representative of each of the statewide units specified in this section. The units provided in this section are the only appropriate statewide units for state employees of the board. Employees of the state Board of Public Defense, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. The following are the appropriate statewide units of state employees of the board:

(1) Assistant District and Assistant State Public Defender Unit; and

(2) Clerical and Support Staff Unit.

(b) Each unit consists of the classifications or positions assigned to it in the schedule of job classifications and positions maintained by the state Board of Public Defense.

Sec. 23. Minnesota Statutes 2022, section 179A.12, subdivision 1, is amended to read:

Subdivision 1. **Certification continued.** (a) Any employee organization holding formal recognition by order of the commissioner or by employer voluntary recognition on the effective date of Extra Session Laws 1971, chapter 33, under any law that is repealed by Extra Session Laws 1971, chapter 33, is certified as the exclusive representative until it is decertified or another representative is certified in its place.

(b) Any teacher organization as defined by Minnesota Statutes 1969, section 125.20, subdivision 3, which on the effective date of Extra Session Laws 1971, chapter 33, has a majority of its members on a teacher's council in a school district as provided in Minnesota Statutes 1969, section 125.22 is certified as the exclusive representative of all teachers of that school district until the organization is decertified or another organization is certified in its place.

Sec. 24. Minnesota Statutes 2022, section 179A.15, is amended to read:

179A.15 MEDIATION.

Subdivision 1. **Petitioning commissioner.** Once notice has been given under section 179A.14, the employer or the exclusive representative may petition the commissioner for mediation services.

Subd. 2. **Petition requirements; scheduling mediation.** (a) A petition by an employer shall be signed by the employer or an authorized officer or agent. A petition by an exclusive representative shall be signed by its authorized officer. All petitions shall be served on the commissioner in writing. The petition shall state briefly the nature of the disagreement of the parties.

(b) Upon receipt of a petition and upon concluding that mediation would be useful, the commissioner shall fix a time and place for a conference meeting with the parties to negotiate the issues not agreed upon, and shall then take the most expedient steps to bring about a settlement, including assisting in negotiating and drafting an agreement.

Subd. 3. **Commissioner-initiated mediation.** If the commissioner determines that mediation would be useful in resolving a dispute, the commissioner may mediate the dispute even if neither party has filed a petition for mediation. In these cases, the commissioner shall proceed as if a petition had been filed.

Subd. 4. **Mediation restricted.** The commissioner shall not furnish mediation services to any employee or employee representative who is not certified as an exclusive representative.

Subd. 5. **Mediation meetings.** All parties shall respond to the summons of the commissioner for conferences meetings and shall continue in conference meeting until excused by the commissioner.

Sec. 25. Minnesota Statutes 2022, section 179A.16, subdivision 1, is amended to read:

Subdivision 1. **Petitioning for arbitration; nonessential employees.** (a) An exclusive representative or an employer of a unit of employees other than essential employees may request interest arbitration by providing written notice of the request to the other party and the commissioner.

The written request for arbitration must specify the items to be submitted to arbitration and whether conventional, final-offer total-package, or final-offer item-by-item arbitration is contemplated by the request.

(b) The items to be submitted to arbitration and the form of arbitration to be used are subject to mutual agreement. If an agreement to arbitrate is reached, it must be reduced to writing and a copy of the agreement filed with the commissioner. A failure to respond, or to reach agreement on the items or form of arbitration, within 15 days of receipt of the request to arbitrate constitutes a rejection of the request.

Sec. 26. Minnesota Statutes 2022, section 179A.16, subdivision 7, is amended to read:

Subd. 7. **~~Decision by Arbitrator or arbitrator panel; issuing decision.~~** (a) The decision must be issued by the arbitrator or a majority vote of the panel. The decision must resolve the issues in dispute between the parties as submitted by the commissioner. For principals and assistant principals, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item. For other employees, if the parties agree in writing, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item, or the final offer of one or the other parties in its entirety. In considering a dispute and issuing its decision, the arbitrator or panel shall consider the statutory rights and obligations of public employers to efficiently manage and conduct their operations within the legal limitations surrounding the financing of these operations. The decision is final and binding on all parties.

(b) The arbitrator or panel shall render its decision within 30 days from the date that all arbitration proceedings have concluded. The arbitrator or panel may not request that the parties waive their right to have the decision rendered within 30 days, unless the commissioner grants an extension of the deadline. The commissioner shall remove from the roster for six months the name of any arbitrator who does not render the decision within 30 days or within the extension granted by the commissioner. The commissioner shall adopt rules establishing criteria to be followed in determining whether an extension should be granted. The decision must be for the period stated in the decision, except that decisions determining contracts for teacher units are effective to the end of the contract period determined by section 179A.20.

(c) The arbitrator or panel shall send its decision to the commissioner, the appropriate representative of the public employer, and the employees. If any issues submitted to arbitration are settled voluntarily before the arbitrator or panel issues a decision, the arbitrator or panel shall report the settlement to the commissioner.

(d) The parties may, at any time before or after issuance of a decision of the arbitrator or panel, agree upon terms and conditions of employment regardless of the terms and conditions of employment determined by the decision. The parties shall, if so agreeing, execute a written contract or memorandum of contract.

Sec. 27. Minnesota Statutes 2022, section 179A.18, subdivision 2, is amended to read:

Subd. 2. **School district requirements.** Except as otherwise provided by section 179A.17, subdivision 1, teachers employed by a local school district, other than principals and assistant principals, may strike only under the following circumstances:

(1)(i) the collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 179A.17, subdivision 1, has occurred; and

(ii) the exclusive representative and the employer have participated in mediation over a period of at least 30 days. For the purposes of this item the mediation period commences on the day that a mediator designated by the commissioner first attends a ~~conference~~ meeting with the parties to negotiate the issues not agreed upon; and

(iii) neither party has requested interest arbitration or a request for binding interest arbitration has been rejected; or

(2) the employer violates section 179A.13, subdivision 2, clause (9).

Sec. 28. Minnesota Statutes 2022, section 179A.18, subdivision 3, is amended to read:

Subd. 3. **Strike notice.** (a) In addition to the other requirements of this section, no employee may strike unless written notification of intent to strike is served on the employer and the commissioner by the exclusive representative at least ten days prior to the commencement of the strike. For all employees other than teachers, if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification. For teachers, no strike may commence more than 25 days after service of notification of intent to strike unless, before the end of the 25-day period, the exclusive representative and the employer agree that the period during which a strike may commence shall be extended for an additional period not to exceed five days. Teachers are limited to one notice of intent to strike for each contract negotiation period, provided, however, that a strike notice may be renewed for an additional ten days, the first five of which shall be a notice period during which no strike may occur, if the following conditions have been satisfied:

(1) an original notice was provided pursuant to this section; ~~and~~

(2) a tentative agreement to resolve the dispute was reached during the original strike notice period; and

(3) such tentative agreement was rejected by either party during or after the original strike notice period.

(b) The first day of the renewed strike notice period shall commence on the day following the expiration of the previous strike notice period or the day following the rejection of the tentative agreement, whichever is later. Notification of intent to strike under subdivisions 1, clause (1); and 2, clause (1), may not be served until the collective bargaining agreement has expired, or if there is no agreement, on or after the date impasse under section 179A.17 has occurred.

Sec. 29. Minnesota Statutes 2022, section 179A.19, subdivision 6, is amended to read:

Subd. 6. **Hearings.** (a) Any public employee is entitled to request the opportunity to establish that the employee did not violate this section. The request shall be filed in writing with the officer or body having the power to remove the employee, within ten days after notice of termination is served upon the employee. The employing officer or body shall within ten days commence a

proceeding at which the employee shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by the public employee. If there are contractual grievance procedures, laws or rules establishing proceedings to remove the public employee, the hearing shall be conducted in accordance with whichever procedure the employee elects. The election shall be binding and shall terminate any right to the alternative procedures. The same proceeding may include more than one employee's employment status if the employees' defenses are identical, analogous, or reasonably similar. The proceedings shall be undertaken without unnecessary delay.

(b) Any person whose termination is sustained in the administrative or grievance proceeding may appeal in accordance with chapter 14.

Sec. 30. Minnesota Statutes 2022, section 179A.20, subdivision 4, is amended to read:

Subd. 4. **Grievance procedure.** (a) All contracts must include a grievance procedure providing for compulsory binding arbitration of grievances including all written disciplinary actions. If the parties cannot agree on the grievance procedure, they are subject to the grievance procedure ~~promulgated~~ adopted by the commissioner under section 179A.04, subdivision 3, paragraph (a), clause (h) ~~(8)~~.

(b) Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action is subject to the grievance procedure and compulsory binding arbitration.

(c) Employees covered by civil service systems created under chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, may pursue a grievance through the procedure established under this section. When the grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, the employee may proceed through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with the employee's consent the employee may not proceed in the alternative manner.

(d) A teacher who elects a hearing before an arbitrator under section 122A.40, subdivision 15, or 122A.41, subdivision 13, or who elects or acquiesces to a hearing before the school board may not later proceed in the alternative manner nor challenge the termination or discharge through a grievance procedure required by this subdivision.

(e) This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment.

Sec. 31. Minnesota Statutes 2022, section 179A.23, is amended to read:

179A.23 LIMITATION ON CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.

(a) Any contract entered into after March 23, 1982, by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed

by members of a unit provided in sections 179A.10 and 179A.11, shall be subject to section 16C.06 and shall provide for the preferential employment by a party of members of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

(b) Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16C.08 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the average of the charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.

Sec. 32. Minnesota Statutes 2022, section 626.892, subdivision 12, is amended to read:

Subd. 12. **Interaction with other laws.** (a) Sections 179A.21, subdivision 2, and 572B.11, paragraph (a), and rules for arbitrator selection promulgated pursuant to section 179A.04 shall not apply to discipline-related grievance arbitrations involving peace officers governed under this section.

(b) Notwithstanding any contrary provision of law, home rule charter, ordinance, or resolution, peace officers, through their certified exclusive representatives, shall not have the right to negotiate for or agree to a collective bargaining agreement or a grievance arbitration selection procedure with their employers that is inconsistent with this section.

(c) The arbitrator selection procedure for peace officer grievance arbitrations established under this section supersedes any inconsistent provisions in chapter 179A or 572B or in Minnesota Rules, chapters 5500 to 5530 and ~~7315 to~~ 7325. Other arbitration requirements in those chapters remain in full force and effect for peace officer grievance arbitrations, except as provided in this section or to the extent inconsistent with this section.

Sec. 33. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 179.35, subdivision 5, as Minnesota Statutes, section 179.35, subdivision 7.

Sec. 34. **REPEALER.**

Minnesota Rules, part 5510.0310, subpart 13, is repealed.

ARTICLE 6

MINIMUM WAGE

Section 1. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:

Subd. 12. **Large employer.** "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000, exclusive of excise taxes at the retail level

that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 2. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:

Subd. 13. **Small employer.** "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000, exclusive of excise taxes at the retail level that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 3. Minnesota Statutes 2022, section 177.24, subdivision 1, is amended to read:

Subdivision 1. **Amount.** ~~(a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.~~

~~(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.~~

~~(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.~~

~~(b)~~ (a) Except as otherwise provided in sections 177.21 to 177.35,

~~(1)~~ every large employer must pay each employee wages at a rate of at least:

~~(i)~~ (1) \$8.00 per hour beginning August 1, 2014;

~~(ii)~~ (2) \$9.00 per hour beginning August 1, 2015;

~~(iii)~~ (3) \$9.50 per hour beginning August 1, 2016; and

~~(iv)~~ (4) the rate established under paragraph ~~(f)~~ (c) beginning January 1, 2018; ~~and.~~

~~(2) every small employer must pay each employee at a rate of at least:~~

~~(i) \$6.50 per hour beginning August 1, 2014;~~

~~(ii) \$7.25 per hour beginning August 1, 2015;~~

~~(iii) \$7.75 per hour beginning August 1, 2016; and~~

~~(iv) the rate established under paragraph (f) beginning January 1, 2018.~~

~~(e)~~ (b) Notwithstanding paragraph ~~(b)~~ (a), during the first 90 consecutive days of employment, an employer may pay an employee under the age of 20 years a wage of at least:

- (1) \$6.50 per hour beginning August 1, 2014;
- (2) \$7.25 per hour beginning August 1, 2015;
- (3) \$7.75 per hour beginning August 1, 2016; and
- (4) the rate established under paragraph ~~(f)~~ (c) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

~~(d) Notwithstanding paragraph (b), an employer that is a "hotel or motel," "lodging establishment," or "resort" as defined in Minnesota Statutes 2012, section 157.15, subdivisions 7, 8, and 11, must pay an employee working under a contract with the employer that includes the provision by the employer of a food or lodging benefit, if the employee is working under authority of a summer work travel exchange visitor program (J) nonimmigrant visa, a wage of at least:~~

- ~~(1) \$7.25 per hour beginning August 1, 2014;~~
- ~~(2) \$7.50 per hour beginning August 1, 2015;~~
- ~~(3) \$7.75 per hour beginning August 1, 2016; and~~
- ~~(4) the rate established under paragraph (f) beginning January 1, 2018.~~

~~No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.~~

~~(e) Notwithstanding paragraph (b), a large employer must pay an employee under the age of 18 at a rate of at least:~~

- ~~(1) \$6.50 per hour beginning August 1, 2014;~~
- ~~(2) \$7.25 per hour beginning August 1, 2015;~~
- ~~(3) \$7.75 per hour beginning August 1, 2016; and~~
- ~~(4) the rate established under paragraph (f) beginning January 1, 2018.~~

~~No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.~~

~~(f)~~ (c) No later than August 31 of each year, ~~beginning in 2017~~, the commissioner shall determine the percentage increase in the rate of inflation, as measured by the implicit price deflator, national data for personal consumption expenditures as determined by the United States Department of Commerce, Bureau of Economic Analysis during the 12-month period immediately preceding that August or, if that data is unavailable, during the most recent 12-month period for which data is

available. The minimum wage rates in paragraphs (a) and ~~(b), (c), (d), and (e)~~ are increased by the lesser of: (1) ~~2-5~~ 5 percent, rounded to the nearest cent; or (2) the percentage calculated by the commissioner, rounded to the nearest cent. A minimum wage rate shall not be reduced under this paragraph. The new minimum wage rates determined under this paragraph take effect on the next January 1.

~~(g)(1) No later than September 30 of each year, beginning in 2017, the commissioner may issue an order that an increase calculated under paragraph (f) not take effect. The commissioner may issue the order only if the commissioner, after consultation with the commissioner of management and budget, finds that leading economic indicators, including but not limited to projections of gross domestic product calculated by the United States Department of Commerce, Bureau of Economic Analysis; the Consumer Confidence Index issued by the Conference Board; and seasonally adjusted Minnesota unemployment rates, indicate the potential for a substantial downturn in the state's economy. Prior to issuing an order, the commissioner shall also calculate and consider the ratio of the rate of the calculated change in the minimum wage rate to the rate of change in state median income over the same time period used to calculate the change in wage rate. Prior to issuing the order, the commissioner shall hold a public hearing, notice of which must be published in the State Register, on the department's website, in newspapers of general circulation, and by other means likely to inform interested persons of the hearing, at least ten days prior to the hearing. The commissioner must allow interested persons to submit written comments to the commissioner before the public hearing and for 20 days after the public hearing.~~

~~(2) The commissioner may in a year subsequent to issuing an order under clause (1), make a supplemental increase in the minimum wage rate in addition to the increase for a year calculated under paragraph (f). The supplemental increase may be in an amount up to the full amount of the increase not put into effect because of the order. If the supplemental increase is not the full amount, the commissioner may make a supplemental increase of the difference, or any part of a difference, in a subsequent year until the full amount of the increase ordered not to take effect has been included in a supplemental increase. In making a determination to award a supplemental increase under this clause, the commissioner shall use the same considerations and use the same process as for an order under clause (1). A supplemental wage increase is not subject to and shall not be considered in determining whether a wage rate increase exceeds the limits for annual wage rate increases allowed under paragraph (f).~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 4. Minnesota Statutes 2023 Supplement, section 204B.19, subdivision 6, is amended to read:

Subd. 6. **Trainee election judges.** (a) Notwithstanding any other requirements of this section, a student enrolled in a high school in Minnesota or who is in a home school in compliance with sections 120A.22 and 120A.24, who has attained the age of 16 is eligible to be appointed as a without party affiliation trainee election judge in the county in which the student maintains residence, or a county adjacent to the county in which the student maintains residence. The student must meet qualifications for trainee election judges specified in rules of the secretary of state. A student appointed under this subdivision while enrolled in a high school or receiving instruction in a home school may continue to serve as a trainee election judge after the student graduates and until the student reaches the age of 18.

(b) A student appointed as a trainee election judge may be excused from school attendance during the hours that the student is serving as a trainee election judge if the student submits a written request signed and approved by the student's parent or guardian to be absent from school and a certificate from the appointing authority stating the hours during which the student will serve as a trainee election judge to the principal of the school at least ten days prior to the election. A trainee election judge shall not serve after 10:00 p.m. Notwithstanding section 177.24 to the contrary, trainee election judges may be paid not less than two-thirds of the minimum wage for ~~a large~~ an employer. The principal of the school may approve a request to be absent from school conditioned on acceptable academic performance at the time of service as a trainee election judge.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 5. **REVISOR INSTRUCTION.**

In each of the statutory sections listed in Column A, the revisor of statutes shall replace the statutory citation in Column B with the statutory citation listed in Column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>175.007, subdivision 1, paragraph (b)</u>	<u>177.24, subdivision 1, paragraph (a), clause (2)</u>	<u>177.23, subdivision 13</u>
<u>222.50, subdivision 5, clause (4), item (ii)</u>	<u>177.24, subdivision 1, paragraph (b)</u>	<u>177.24, subdivision 1, paragraph (a)</u>
<u>550.136, subdivision 3, paragraph (a), clause (2)</u>	<u>177.24, subdivision 1, paragraph (b), clause (1), item (iii)</u>	<u>177.24, subdivision 1, paragraph (a), clause (3)</u>
<u>551.06, subdivision 3, paragraph (a), clause (2)</u>	<u>177.24, subdivision 1, paragraph (b), clause (1), item (iii)</u>	<u>177.24, subdivision 1, paragraph (a), clause (3)</u>
<u>571.922, paragraph (a), clause (2), item (i)</u>	<u>177.24, subdivision 1, paragraph (b), clause (1), item (iii)</u>	<u>177.24, subdivision 1, paragraph (a), clause (3)</u>

EFFECTIVE DATE. This section is effective January 1, 2025.

ARTICLE 7

MISCELLANEOUS LABOR POLICY

Section 1. Minnesota Statutes 2022, section 177.24, is amended by adding a subdivision to read:

Subd. 3a. **Gratuities; credit cards or charges.** (a) Gratuities received by an employee through a debit, charge, credit card, or electronic payment shall be credited to that pay period in which they are received by the employee.

(b) Where a gratuity is received by an employee through a debit, charge, credit card, or electronic payment, the full amount of gratuity indicated in the payment must be distributed to the employee no later than the next scheduled pay period.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 2. **[181.173] SALARY RANGES REQUIRED IN JOB POSTINGS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Employer" means a person or entity that employs 30 or more employees at a minimum of one site and includes an individual, corporation, partnership, association, nonprofit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.

(c) "Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings made electronically or via printed hard copy, that includes qualifications for desired applicants.

(d) "Salary range" means the minimum and maximum annual salary or hourly range of compensation, based on the employer's good faith estimate, for a job opportunity of the employer at the time of the posting of an advertisement for such opportunity.

Subd. 2. **Salary ranges in job postings required.** (a) An employer must disclose in each posting for each job opening with the employer the starting salary range and a general description of all of the benefits and other compensation to be offered to a hired job applicant.

(b) An employer that does not plan to offer a salary range for a position must list a fixed pay rate. A salary range may not be open ended.

Sec. 3. Minnesota Statutes 2023 Supplement, section 181.531, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) The commissioner shall develop an educational poster providing notice of employees' rights provided under this section. The notice shall be available in English and the five most common languages spoken in Minnesota.

~~Within 30 days of August 1, 2023,~~ (b) An employer subject to this section shall post and keep posted, ~~a the notice of employee rights under this section created pursuant to this subdivision in a place~~ where employee notices are customarily placed located within the workplace.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 181.950, is amended by adding a subdivision to read:

Subd. 9a. **Oral fluid test.** "Oral fluid test" means analysis of a saliva sample for the purpose of measuring the presence of the same substances as drug and alcohol testing and cannabis testing that:

(1) can detect drugs, alcohol, cannabis, or their metabolites in levels at or above the threshold detection levels contained in the standards of one of the programs listed in section 181.953, subdivision 1; and

(2) does not require the services of a testing laboratory under section 181.953, subdivision 1.

Sec. 5. Minnesota Statutes 2022, section 181.951, subdivision 1, is amended to read:

Subdivision 1. **Limitations on testing.** (a) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing except as authorized in this section.

(b) An employer may not request or require an employee or job applicant to undergo drug or alcohol testing unless the testing is done pursuant to a written drug and alcohol testing policy that contains the minimum information required in section 181.952; and, either: (1) is conducted by a testing laboratory which participates in one of the programs listed in section 181.953, subdivision 1; or (2) complies with the oral fluid test procedures under section 181.953, subdivision 5a.

(c) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing on an arbitrary and capricious basis.

Sec. 6. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 1, is amended to read:

Subdivision 1. **Use of licensed, accredited, or certified laboratory required.** (a) Except as provided under subdivision 5a, an employer who requests or requires an employee or job applicant to undergo drug or alcohol testing or cannabis testing shall use the services of a testing laboratory that meets one of the following criteria for drug testing:

(1) is certified by the National Institute on Drug Abuse as meeting the mandatory guidelines published at 53 Federal Register 11970 to 11989, April 11, 1988;

(2) is accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, under the forensic urine drug testing laboratory program; or

(3) is licensed to test for drugs by the state of New York, Department of Health, under Public Health Law, article 5, title V, and rules adopted under that law.

(b) For alcohol testing, the laboratory must either be:

(1) licensed to test for drugs and alcohol by the state of New York, Department of Health, under Public Health Law, article 5, title V, and the rules adopted under that law; or

(2) accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, in the laboratory accreditation program.

Sec. 7. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 3, is amended to read:

Subd. 3. **Laboratory testing, reporting, and sample retention requirements.** (a) A testing laboratory that is not certified by the National Institute on Drug Abuse according to subdivision 1 shall follow the chain-of-custody procedures prescribed for employers in subdivision 5. A testing laboratory shall conduct a confirmatory test on all samples that produced a positive test result on an initial screening test. A laboratory shall disclose to the employer a written test result report for each sample tested within three working days after a negative test result on an initial screening test or, when the initial screening test produced a positive test result, within three working days after a confirmatory test. A test report must indicate the drugs, alcohol, drug or alcohol metabolites, or cannabis or cannabis metabolites tested for and whether the test produced negative or positive test

results. A laboratory shall retain and properly store for at least six months all samples that produced a positive test result.

(b) This subdivision and the chain-of-custody procedures under subdivision 5 do not apply to oral fluid testing under subdivision 5a.

Sec. 8. Minnesota Statutes 2023 Supplement, section 181.953, is amended by adding a subdivision to read:

Subd. 5a. **Oral fluid testing.** (a) An employer may elect to comply with the oral fluid testing procedures under this subdivision as an alternative to the drug and alcohol testing or cannabis testing procedures for employees and job applicants in this section.

(b) An employer may request or require an employee or a job applicant to undergo oral fluid testing. Within 48 hours of an oral fluid test that indicates a positive test result or the test is inconclusive or invalid, the employee or job applicant may request drug or alcohol testing or cannabis testing at no cost to the employee or job applicant using the services of a testing laboratory under subdivision 1. The rights, notice, and limitations in subdivisions 7 to 8 and 10 to 11 apply to the employee or job applicant and a laboratory test conducted pursuant to this paragraph.

(c) If the laboratory test under paragraph (b) is positive, any subsequent confirmatory retest, if requested by the employee or job applicant, must be conducted following the retest procedures provided in subdivision 6, paragraph (c), and subdivision 9 at the employee's or job applicant's own expense.

Sec. 9. **[182.678] SURGICAL SMOKE EVACUATION SYSTEM POLICIES.**

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

(b) "Surgical smoke" means the gaseous by-product produced by energy-generating devices including surgical plume, smoke plume, bio-aerosols, laser-generated airborne contaminants, or lung-damaging dust.

(c) "Smoke evacuation system" means equipment that effectively captures and filters surgical smoke at the site of origin before the smoke makes contact with the eyes or the respiratory tract of occupants in the room.

(d) "Health care employer" means a hospital as defined in section 144.50, subdivision 2, or an ambulatory surgical facility or outpatient surgical center as defined in section 144.55, subdivision 2, paragraph (b).

Subd. 2. **Surgical smoke evacuation system policies required.** A health care employer shall adopt and implement policies to prevent exposure to surgical smoke by requiring the use of a smoke evacuation system during any surgical procedure that is likely to generate surgical smoke.

Subd. 3. **Enforcement.** This section shall be enforced by the commissioner under sections 182.66 and 182.661. A violation of this section is subject to the penalties provided under section 182.666.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 10. **REPEALER.**

Minnesota Rules, part 5200.0080, subpart 7, is repealed.

EFFECTIVE DATE. This section is effective August 1, 2024."

Delete the title and insert:

"A bill for an act relating to labor; making policy and technical changes to programs and provisions under the Department of Labor and Industry; making policy and technical changes to provisions under the Bureau of Mediation Services; amending Minnesota Statutes 2022, sections 13.79, subdivision 1; 13.7905, by adding a subdivision; 177.23, by adding subdivisions; 177.24, subdivision 1, by adding a subdivision; 177.30; 178.011, subdivision 9; 178.012, subdivision 1; 178.035, subdivisions 2, 4, 6, 7; 178.036, subdivisions 3, 4, 5, 6, 7; 178.044, subdivision 3; 178.07, subdivisions 1, 3; 178.09, subdivision 2; 178.091, subdivisions 2, 4, by adding subdivisions; 178.10; 179.01, subdivisions 1, 9, 16; 179.06; 179.08; 179.11; 179.12; 179.254, subdivision 1; 179.256; 179.26; 179.27; 179.35, subdivision 1; 179.40; 179.43; 179A.02; 179A.03, subdivision 17; 179A.06, subdivisions 1, 2, 3; 179A.08, subdivision 2; 179A.10, subdivision 1; 179A.104, subdivision 1; 179A.12, subdivision 1; 179A.15; 179A.16, subdivisions 1, 7; 179A.18, subdivisions 2, 3; 179A.19, subdivision 6; 179A.20, subdivision 4; 179A.23; 181.941, subdivision 4; 181.943; 181.950, by adding a subdivision; 181.951, subdivision 1; 181A.08; 181A.12, subdivision 1, by adding subdivisions; 182.664, subdivisions 3, 5; 182.665; 182.666, subdivision 6; 182.667, by adding a subdivision; 326.02, subdivision 5; 326B.0981, subdivisions 3, 4, 8; 326B.33, subdivisions 7, 21; 326B.36, subdivision 2; 326B.46, subdivision 6; 626.892, subdivision 12; Minnesota Statutes 2023 Supplement, sections 177.27, subdivisions 2, 4, 7; 177.42, subdivision 2; 178.01; 181.212, subdivision 7; 181.531, subdivision 3; 181.939, subdivision 2; 181.953, subdivisions 1, 3, by adding a subdivision; 182.6526, subdivision 1; 182.677, subdivisions 1, 2; 204B.19, subdivision 6; 326B.36, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 178; 181; 182; repealing Minnesota Statutes 2022, section 178.036, subdivision 10; Minnesota Rules, parts 5200.0080, subpart 7; 5200.0400; 5510.0310, subpart 13."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator McEwen from the Committee on Labor, to which was re-referred

S.F. No. 4593: A bill for an act relating to wage theft; preventing wage theft and requiring use of responsible contractors when the Minnesota Housing Finance Agency provides financial assistance for development of multiunit residential housing; amending Minnesota Statutes 2023 Supplement, section 116J.871, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 24, delete "including" and insert "as well as"

Page 3, line 13, delete "submit to the agency with its responsible contractor verification" and insert "have available at the development site main office"

Page 3, line 22, before the period, insert "and make the contractor list available to members of the public upon request"

Page 3, line 25, after "assistance" insert "or an allocation of federal low-income housing tax credits"

Page 3, line 34, delete everything after the period and insert "The plan must be submitted to the Department of Labor and Industry who will review the plan. The Department of Labor and Industry may require the project developer to amend the plan or adopt policies or protocols in the plan. Once approved by the Department of Labor and Industry, the wage theft prevention plan must be submitted by the project developer to the agency with any subsequent application for financial assistance from the agency. Such wage theft prevention plans shall be made available to members of the public by the agency upon request."

Page 3, delete line 35

Page 4, delete lines 1 to 5

Page 4, line 16, delete everything after the period

Page 4, delete lines 17 to 20

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator McEwen from the Committee on Labor, to which was referred

S.F. No. 3197: A bill for an act relating to labor; requiring the commissioner of labor and employment to develop a workplace poster identifying veterans' benefits and services; proposing coding for new law in Minnesota Statutes, chapter 181.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 177.42, subdivision 2, is amended to read:

Subd. 2. **Project.** "Project" means demolition, erection, construction, remodeling, or repairing of a public building, facility, or other public work financed in whole or part by state funds. Project also includes demolition, erection, construction, remodeling, or repairing of a building, facility, or public work when:

(1) the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds; or

(2) the project is owned by a city, county, or school district and the materials and supplies used or consumed in and equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation, or remodeling of the project qualify for an exemption from sales and use tax under chapter 297A or special law."

Delete the title and insert:

"A bill for an act relating to labor; expanding the definition of project; amending Minnesota Statutes 2023 Supplement, section 177.42, subdivision 2."

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

Senator McEwen from the Committee on Labor, to which was referred

S.F. No. 4708: A bill for an act relating to Metropolitan Airports Commission; requiring health and welfare benefits; imposing penalties; creating a civil action; proposing coding for new law in Minnesota Statutes, chapter 473.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, delete "and" and delete "268.15" and insert "268A.15"

Page 1, line 19, delete the period and insert "; and"

Page 1, after line 19, insert:

"(3) an individual employed by the Metropolitan Airports Commission."

Page 2, line 6, delete "except" and insert "including"

Page 3, delete subdivision 6

Amend the title as follows:

Page 1, line 3, delete "creating a civil action;"

And when so amended the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Amendments adopted. Report adopted.

Senator McEwen from the Committee on Labor, to which was referred

S.F. No. 4298: A bill for an act relating to the State Building Code; amending the State Building Code to require electric vehicle charging infrastructure in all new residential buildings that provide on-site parking facilities; amending Minnesota Statutes 2023 Supplement, section 326B.106, subdivision 16.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 326B.106, subdivision 16, is amended to read:

Subd. 16. **Electric vehicle charging.** The code shall require a minimum number of electric vehicle ready spaces, electric vehicle capable spaces, and electric vehicle charging stations either within or adjacent to new commercial and multifamily structures that provide on-site parking facilities. ~~Residential structures with fewer than four dwelling units are exempt from this subdivision.~~ Single-family homes, two-family homes, and townhouses that provide on-site parking shall be required by the code to provide not less than one electric-vehicle-capable space per dwelling unit or parking space, whichever is less."

Delete the title and insert:

"A bill for an act relating to the State Building Code; amending the State Building Code to require certain electric vehicle charging infrastructure; amending Minnesota Statutes 2023 Supplement, section 326B.106, subdivision 16."

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government and Veterans. Amendments adopted. Report adopted.

Senator Hawj from the Committee on Environment, Climate, and Legacy, to which was re-referred

S.F. No. 4784: A bill for an act relating to energy; establishing the Minnesota Energy Infrastructure Permitting Act; modifying provisions governing certificates of need; making conforming and technical changes; authorizing administrative rulemaking; amending Minnesota Statutes 2022, sections 216A.037, subdivision 1; 216B.2421, subdivision 2; 216B.243, subdivisions 3, 3a, 4, 9; 216E.08, subdivision 2; 216E.11; 216E.13; 216E.14; 216E.15; 216E.16; 216E.18, subdivision 2a; Minnesota Statutes 2023 Supplement, sections 216B.243, subdivision 8; 216E.06; 216E.07; 216E.10, subdivisions 1, 2, 3; proposing coding for new law as Minnesota Statutes, chapter 216I; repealing Minnesota Statutes 2022, sections 216E.001; 216E.01, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 10; 216E.02; 216E.021; 216E.03, subdivisions 2, 3a, 3b, 4, 9; 216E.04, subdivisions 1, 3, 4, 5, 6, 7, 8, 9; 216E.05, subdivisions 1, 3; 216E.08, subdivisions 1, 4; 216E.18, subdivisions 1, 2; 216F.01; 216F.011; 216F.012; 216F.015; 216F.02; 216F.03; 216F.05; 216F.06; 216F.07; 216F.08; 216F.081; Minnesota Statutes 2023 Supplement, sections 216E.01, subdivisions 3a, 6, 9a; 216E.03, subdivisions 1, 3, 5, 6, 7, 10, 11; 216E.04, subdivision 2; 216E.05, subdivision 2; 216F.04; Minnesota Rules, parts 7850.1000; 7850.1100; 7850.1200; 7850.1300; 7850.1400; 7850.1500; 7850.1600; 7850.1700; 7850.1800; 7850.1900; 7850.2000; 7850.2100; 7850.2200; 7850.2300; 7850.2400; 7850.2500; 7850.2600; 7850.2700; 7850.2800; 7850.2900; 7850.3000; 7850.3100; 7850.3200; 7850.3300; 7850.3400; 7850.3500; 7850.3600; 7850.3700; 7850.3800; 7850.3900; 7850.4000; 7850.4100; 7850.4200; 7850.4500; 7850.4600; 7850.4700; 7850.4800; 7850.4900; 7850.5000; 7850.5100; 7850.5200; 7850.5300; 7850.5400; 7850.5500; 7850.5600; 7854.0100; 7854.0200; 7854.0300; 7854.0400; 7854.0500; 7854.0600; 7854.0700; 7854.0800; 7854.0900; 7854.1000; 7854.1100; 7854.1200; 7854.1300; 7854.1400; 7854.1500.

Reports the same back with the recommendation that the bill be amended as follows:

Page 27, after line 3, insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 10.65, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the following terms have the meanings given:

(1) "agency" means the Department of Administration; Department of Agriculture; Department of Children, Youth, and Families; Department of Commerce; Department of Corrections; Department of Education; Department of Employment and Economic Development; Department of Health; Office of Higher Education; Housing Finance Agency; Department of Human Rights; Department of Human Services; Department of Information Technology Services; Department of Iron Range Resources and Rehabilitation; Department of Labor and Industry; Minnesota Management and Budget; Bureau of Mediation Services; Department of Military Affairs; Metropolitan Council; Department of Natural Resources; Pollution Control Agency; Department of Public Safety; Department of Revenue; Department of Transportation; Department of Veterans Affairs; Gambling Control Board; Racing Commission; the Minnesota Lottery; the Animal Health Board; the Public Utilities Commission; and the Board of Water and Soil Resources;

(2) "consultation" means the direct and interactive involvement of the Minnesota Tribal governments in the development of policy on matters that have Tribal implications. Consultation is the proactive, affirmative process of identifying and seeking input from appropriate Tribal governments and considering their interest as a necessary and integral part of the decision-making process. This definition adds to statutorily mandated notification procedures. During a consultation, the burden is on the agency to show that it has made a good faith effort to elicit feedback. Consultation is a formal engagement between agency officials and the governing body or bodies of an individual Minnesota Tribal government that the agency or an individual Tribal government may initiate. Formal meetings or communication between top agency officials and the governing body of a Minnesota Tribal government is a necessary element of consultation;

(3) "matters that have Tribal implications" means rules, legislative proposals, policy statements, or other actions that have substantial direct effects on one or more Minnesota Tribal governments, or on the distribution of power and responsibilities between the state and Minnesota Tribal governments;

(4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community; and Upper Sioux Community; and

(5) "timely and meaningful" means done or occurring at a favorable or useful time that allows the result of consultation to be included in the agency's decision-making process for a matter that has Tribal implications.

EFFECTIVE DATE. This section is effective August 1, 2024."

Page 32, line 22, delete "1 to 13" and insert "2 to 14"

Page 32, after line 22, insert:

"ARTICLE 4**ENVIRONMENTAL REVIEW AND PERMITTING****Section 1. [84.0265] ENVIRONMENTAL REVIEW AND PERMITTING; COORDINATED PROJECT PLANS.**

Subdivision 1. **Definitions.** In this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of natural resources;

(2) "coordinated project plan" or "plan" means a plan to ensure that any required environmental review and associated required state agency actions are completed efficiently by coordinating and establishing deadlines for all necessary state agency actions;

(3) "eligible project" means a project that requires the commissioner to prepare an environmental assessment worksheet or an environmental impact statement under chapter 116D and associated permits, unless the project is sponsored by the department of natural resources; and

(4) "state agency" means the department or any other office, board, commission, authority, department, or other agency of the executive branch of state government.

Subd. 2. **State policy.** It is the goal of the state to maximize the coordination, effectiveness, transparency, and accountability of environmental review, associated environmental permitting, and other regulatory actions for facilities in Minnesota.

Subd. 3. **Early communication; identifying issues.** To the extent practicable, the commissioner must establish and provide an expeditious process for a person that requests to confer with the department and other state agencies about an eligible project. The department must provide information about any identified challenging issues regarding the potential environmental impacts related to an eligible project, including any issues that could substantially delay a state agency from completing agency decisions; and issues that must be addressed before an environmental assessment worksheet, environmental impact statement, final scoping decision, permit action, or other required action by a state agency can be started.

Subd. 4. **Plan preparation; participating agencies.** (a) A person who submits an application for an eligible project to the commissioner may request that the commissioner prepare a coordinated project plan to complete any required environmental review and associated agency actions for the eligible project.

(b) Within 60 days of receiving a request under paragraph (a), the commissioner must prepare a coordinated project plan in consultation with the requestor and other state agencies identified under paragraph (c). If an eligible project requires or otherwise includes the preparation of an environmental impact statement, the commissioner is required to prepare a coordinated project plan that first covers the period through a final scoping decision. Within 60 days of completion of the final scoping decision, the commissioner must update the coordinated project plan to include the remainder of the environmental review process as well as applicable state permits and other state regulatory decisions. The coordinated project plan is subject to modification in accordance with subdivision

7.

(c) Any state agency that must make permitting or other regulatory decisions over the eligible project must participate in developing a coordinated project plan.

(d) If an eligible project requires environmental review and the Department of Natural Resources is the responsible governmental unit, then the Department of Natural Resources is the lead agency responsible for preparation of a coordinated project plan under this section. If an eligible project requires environmental review and the Pollution Control Agency is the responsible governmental unit, then the Pollution Control Agency is the lead agency responsible for preparation of a coordinated project under section 116.035.

Subd. 5. **Plan contents; synchronization; updates.** (a) A coordinated project plan must include:

(1) a list of all state agencies known to have environmental review, permitting, or other regulatory authority over the eligible project and an explanation of each agency's specific role and responsibilities for actions under the coordinated project plan;

(2) a schedule for any formal public meetings; and

(3) a comprehensive schedule of deadlines by which all environmental reviews, permits, and other state agency actions must be completed. The deadlines established under this clause must include intermediate and final completion deadlines for actions by each state agency and must be consistent with subdivision 6, subject to modification in accordance with subdivision 7.

(b) The commissioner must update a coordinated project plan quarterly.

Subd. 6. **Required deadlines.** (a) Deadlines established in a coordinated project plan must comply with this subdivision, unless an alternative time period is agreed upon by the commissioner and proposer.

(b) When an environmental assessment worksheet is prepared for an eligible project for which an environmental impact statement is not mandatory under Minnesota Rules, chapter 4410, the decision on the need for an environmental impact statement must be made as expeditiously as possible but no later than 18 months after the environmental assessment worksheet is deemed complete by the commissioner.

(c) When an environmental impact statement is prepared for an eligible project, the decision on the adequacy of the final environmental impact statement must be made as expeditiously as possible but no later than four years after the data submitted for the environmental assessment worksheet is deemed complete.

(d) If the commissioner includes plan deadlines that are inconsistent with paragraphs (b) and (c), then within 30 days of finalizing the plan, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy to explain how deadlines were established and why the deadlines under paragraphs (b) and (c) are not attainable.

Subd. 7. **Deadline compliance; modification.** (a) A state agency that participates in the commissioner's development coordinated project plan must comply with deadlines established in the plan. If a participating state agency fails to meet a deadline established in the coordinated project

plan or anticipates failing to meet a deadline, the state agency must immediately notify the commissioner to explain the reason for the failure or anticipated failure and to propose a date for a modified deadline.

(b) The commissioner may modify a deadline established in the coordinated project plan if the project proposer fails to meet a deadline established in the coordinated project plan or provides inadequate information to meet that deadline, or if:

(1) the commissioner provides the person that requested the plan with a written justification for the modification; and

(2) the commissioner and the state agency, after consultation with the person that requested the plan, mutually agree on a different deadline.

(c) If the combined modifications to one or more deadlines established in a coordinated project plan extend the initially anticipated final decision date for an eligible project application by more than 20 percent, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy within 30 days to explain the reason the modifications are necessary. The commissioner must also notify the chairs and ranking minority members within 30 days of any subsequent extensions to the final decision date. The notification must include the reason for the extension and the history of any prior extensions. For purposes of calculating the percentage of time that modifications have extended the anticipated final decision date, modifications made necessary by reasons wholly outside the control of state agencies must not be considered.

Subd. 8. **Annual report.** As part of the annual permitting efficiency report required under section 84.027, The commissioner must report on progress toward required actions described in this section.

Subd. 9. **Relation to other law.** Nothing in this section is to be construed to require an act that conflicts with applicable state or federal law. Nothing in this section affects the specific statutory obligations of a state agency to comply with criteria or standards of environmental quality.

Sec. 2. **[116.035] ENVIRONMENTAL REVIEW AND PERMITTING; COORDINATED PROJECT PLANS.**

Subdivision 1. **Definitions.** In this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of the Pollution Control Agency;

(2) "coordinated project plan" or "plan" means a plan to ensure that any required environmental review and associated required state agency actions are completed efficiently by coordinating and establishing deadlines for all necessary state agency actions;

(3) "eligible project" means a project that requires the commissioner to prepare an environmental assessment worksheet or an environmental impact statement under chapter 116D and associated permits; and

(4) "state agency" means the agency or any other office, board, commission, authority, department, or other agency of the executive branch of state government.

Subd. 2. **State policy.** It is the goal of the state to maximize the coordination, effectiveness, transparency, and accountability of environmental review, associated environmental permitting, and other regulatory actions for facilities in Minnesota.

Subd. 3. **Early communication; identifying issues.** To the extent practicable, the commissioner must establish and provide an expeditious process for a person that requests to confer with the agency and other state agencies about an eligible project. The agency must provide information about any identified challenging issues regarding the potential environmental impacts related to an eligible project, including any issues that could substantially delay a state agency from completing agency decisions and issues that must be addressed before an environmental assessment worksheet, environmental impact statement, final scoping decision, permit action, or other required action by a state agency can be started.

Subd. 4. **Plan preparation; participating agencies.** (a) A person who submits an application for an eligible project to the commissioner may request that the commissioner prepare a coordinated project plan to complete any required environmental review and associated agency actions for the eligible project.

(b) Within 60 days of receiving a request under paragraph (a), the commissioner must prepare a coordinated project plan in consultation with the requestor and other state agencies identified under paragraph (c). If an eligible project requires or otherwise includes the preparation of an environmental impact statement, the commissioner is required to prepare a coordinated project plan that first covers the period through a final scoping decision. Within 60 days of completion of the final scoping decision, the commissioner must update the coordinated project plan to include the remainder of the environmental review process as well as applicable state permits and other state regulatory decisions. The coordinated project plan is subject to modification in accordance with subdivision 7.

(c) Any state agency that must make permitting or other regulatory decisions over the eligible project must participate in developing a coordinated project plan.

(d) If an eligible project requires environmental review and the Department of Natural Resources is the responsible governmental unit, then the Department of Natural Resources is the lead agency responsible for preparation of a coordinated project plan under section 84.0265. If an eligible project requires environmental review and the Pollution Control Agency is the responsible governmental unit, then the Pollution Control Agency is the lead agency responsible for preparation of a coordinated project under this section.

Subd. 5. **Plan contents; synchronization; updates.** (a) A coordinated project plan must include:

(1) a list of all state agencies known to have environmental review, permitting, or other regulatory authority over the eligible project and an explanation of each agency's specific role and responsibilities for actions under the coordinated project plan;

(2) a schedule for any formal public meetings; and

(3) a comprehensive schedule of deadlines by which all environmental reviews, permits, and other state agency actions must be completed. The deadlines established under this clause must

include intermediate and final completion deadlines for actions by each state agency and must be consistent with subdivision 6, subject to modification in accordance with subdivision 7.

(b) The commissioner must update a coordinated project plan quarterly.

Subd. 6. **Required deadlines.** (a) Deadlines established in a coordinated project plan must comply with this subdivision unless an alternative time period is agreed upon by the commissioner and proposer.

(b) When an environmental assessment worksheet is prepared for an eligible project for which an environmental impact statement is not mandatory under Minnesota Rules, chapter 4410, the decision on the need for an environmental impact statement must be made as expeditiously as possible but no later than 18 months after the environmental assessment worksheet is deemed complete by the commissioner.

(c) When an environmental impact statement is prepared for an eligible project, the decision on the adequacy of the final environmental impact statement must be made as expeditiously as possible but no later than four years after the submitted data for the environmental assessment worksheet is deemed complete.

(d) If the commissioner includes plan deadlines that are inconsistent with paragraphs (b) and (c), then within 30 days of finalizing the plan, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy to explain how deadlines were established and why the deadlines under paragraphs (b) and (c) are not attainable.

Subd. 7. **Deadline compliance; modification.** (a) A state agency that participates in the commissioner's development coordinated project plan must comply with deadlines established in the plan. If a participating state agency fails to meet a deadline established in the coordinated project plan or anticipates failing to meet a deadline, the state agency must immediately notify the commissioner to explain the reason for the failure or anticipated failure and to propose a date for a modified deadline.

(b) The commissioner may modify a deadline established in the coordinated project plan if the project proposer fails to meet a deadline established in the coordinated project plan or provides inadequate information to meet that deadline, or if:

(1) the commissioner provides the person that requested the plan with a written justification for the modification; and

(2) the commissioner and the state agency, after consultation with the person that requested the plan, mutually agree on a different deadline.

(c) If the combined modifications to one or more deadlines established in a coordinated project plan extend the initially anticipated final decision date for an eligible project application by more than 20 percent, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy within 30 days to explain the reason the modifications are necessary. The commissioner must also notify the chairs and ranking minority members within 30 days of any subsequent extensions to the final decision

date. The notification must include the reason for the extension and the history of any prior extensions. For purposes of calculating the percentage of time that modifications have extended the anticipated final decision date, modifications made necessary by reasons wholly outside the control of state agencies must not be considered.

Subd. 8. **Annual report.** As part of the annual permitting efficiency report required under section 116.03, the commissioner must report on progress toward required actions described in this section.

Subd. 9. **Relation to other law.** Nothing in this section is to be construed to require an act that conflicts with applicable state or federal law. Nothing in this section affects the specific statutory obligations of a state agency to comply with criteria or standards of environmental quality."

Renumber the sections in sequence

Page 1, line 4, after the second semicolon, insert "providing for coordinated plans to complete environmental review and other state agency actions; requiring reports;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Fateh from the Committee on Higher Education, to which was referred

S.F. No. 3945: A bill for an act relating to higher education; modifying a previous appropriation; amending Laws 2023, chapter 41, article 1, section 4, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Klein from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 4782: A bill for an act relating to state government; modifying cannabis provisions; appropriating money; amending Minnesota Statutes 2023 Supplement, sections 3.9224; 151.72, subdivisions 1, 2, 4, 5a, 5b, 6, 7; 256B.0625, subdivision 13d; 290.0132, subdivision 29; 290.0134, subdivision 19; 295.81, subdivisions 1, 4; 297A.70, subdivision 2; 342.01, subdivisions 3, 4, 14, 16, 17, 19, 20, 48, 64, 65, 66, by adding a subdivision; 342.02, subdivisions 2, 3, 5, 6; 342.07, subdivision 3; 342.09, subdivisions 1, 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, subdivisions 1, 2, by adding a subdivision; 342.17; 342.18, subdivision 3, by adding subdivisions; 342.19, subdivisions 1, 3, 4, 5; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding a subdivision; 342.29, subdivisions 1, 4; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1, by adding a subdivision; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivisions 1, 3; 342.44, subdivision 1; 342.51; 342.515; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 3, 4, 5, 6, 7; 342.58; 342.60; 342.61, subdivisions 4, 5; 342.63, subdivisions 2, 3, 4, 6; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, section 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2023 Supplement, sections 342.01, subdivisions 28, 52, 53, 54, 55; 342.18, subdivision 1;

342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; 342.52, subdivision 8; Laws 2023, chapter 63, article 7, sections 4; 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, after line 18, insert:

"Sec. 2. Minnesota Statutes 2022, section 18K.03, is amended by adding a subdivision to read:

Subd. 3. **Sale to cannabis and hemp businesses.** (a) An industrial hemp grower licensed under this chapter may sell hemp plant parts and propagules to a cannabis business or hemp business licensed under chapter 342.

(b) An industrial hemp processor licensed under this chapter may sell hemp concentrate to a cannabis business or hemp business licensed under chapter 342."

Page 7, after line 30, insert:

"(m) "Tincture" means a solution of hemp extract, derived either directly from the hemp plant or from a manufactured hemp extract, dissolved in glycerin, food-grade oils, or other food-grade solvents and is intended to be eaten as an edible cannabinoid product under section 151.72, paragraph (f)."

Page 11, line 8, delete "Existing registrations through" and insert "All existing registrations with"

Page 11, line 9, delete "must be transferred" and insert "as of June 30, 2024, will automatically transfer" and delete "by" and insert "on"

Page 13, line 27, delete the new language

Page 13, line 30, delete the new language and reinstate the stricken language

Page 14, lines 1 and 2, reinstate the stricken language

Page 14, line 1, strike "medical" and strike "54" and insert "16" and strike "or medical"

Page 14, line 2, strike "52" and insert "12, or cannabis products as defined in section 342.01, subdivision 20"

Page 17, after line 6, insert:

"Sec. 15. Minnesota Statutes 2023 Supplement, section 297A.67, subdivision 2, is amended to read:

Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision, food and food ingredients are exempt. For purposes of this subdivision, "food" and "food ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. Food and food ingredients exempt under this subdivision do not include candy, soft drinks, dietary

supplements, and prepared foods. Food and food ingredients do not include alcoholic beverages, tobacco, taxable cannabis products, ~~medical cannabis flower, and medical cannabinoid products~~ and any item exempt from tax under section 295.81, subdivision 4, paragraph (b). For purposes of this subdivision, "alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume. For purposes of this subdivision, "tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco. For purposes of this subdivision, "taxable cannabis product" has the meaning given in section 295.81, subdivision 1, paragraph (r), ~~"medical cannabis flower" has the meaning given in section 342.01, subdivision 54, and "medical cannabinoid product" has the meaning given in section 342.01, subdivision 52 (o).~~ For purposes of this subdivision, "dietary supplements" means any product, other than tobacco, intended to supplement the diet that:

(1) contains one or more of the following dietary ingredients:

(i) a vitamin;

(ii) a mineral;

(iii) an herb or other botanical;

(iv) an amino acid;

(v) a dietary substance for use by humans to supplement the diet by increasing the total dietary intake; and

(vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient described in items (i) to (v);

(2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

(3) is required to be labeled as a dietary supplement, identifiable by the supplement facts box found on the label and as required pursuant to Code of Federal Regulations, title 21, section 101.36."

Page 19, after line 7, insert:

"Sec. 19. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 12, is amended to read:

Subd. 12. **Cannabinoid product.** "Cannabinoid product" means any of the following:

(1) a cannabis product;

(2) a hemp-derived consumer product; or

(3) a lower-potency hemp edible; or

(4) a product that consists of or contains cannabis concentrate or hemp concentrate or is infused with cannabinoids, and is provided to:

(i) a patient enrolled in the registry program;

(ii) a registered designated caregiver; or

(iii) a parent, legal guardian, or spouse of an enrolled patient, by a cannabis retailer or medical cannabis retailer to treat or alleviate the symptoms of a qualifying medical condition."

Page 20, line 20, after "include" insert "industrial" and after "hemp" insert "as defined in section 18K.02, subdivision 3"

Page 22, line 11, strike "retailer" and before "and" insert "business with a medical cannabis retail endorsement"

Page 24, line 27, after "produces" insert "cannabis flower,"

Page 26, line 7, delete everything after "effective" and insert "July 1, 2024."

Page 26, delete line 8

Page 34, line 7, delete everything after "applicant"

Page 34, line 8, delete the new language

Page 34, line 14, before "During" insert "Notwithstanding paragraph (a),"

Page 34, line 16, before "issued" insert "initially"

Page 34, line 31, before the colon, insert "per application period"

Page 35, line 13, delete "defined by" and insert "described in"

Page 35, line 19, after "application" insert "process"

Page 36, line 7, delete "material" and insert "materially"

Page 37, delete lines 6 and 7

Page 37, line 8, delete "(4)" and insert "(3)"

Page 37, line 10, delete "(5)" and insert "(4)"

Page 37, line 23, delete "that is not temporary"

Page 38, line 3, delete "that is not temporary"

Page 38, delete lines 18 and 19

Page 38, line 20, delete "(e)" and insert "(d)"

Page 38, line 24, delete "(f)" and insert "(e)"

Page 38, line 25, delete everything after the second "not" and insert "request reconsideration."

Page 38, delete line 26

Page 40, line 28, delete the new language

Page 45, line 16, delete "The office"

Page 45, delete lines 17 to 20

Page 45, delete subdivision 1

Page 46, line 30, strike ", or" and insert "; (5)"

Renumber the clauses in sequence

Page 49, line 20, after "holders" insert "with a retail endorsement" and delete "earn no" and insert "obtain at least one other"

Page 49, line 21, delete "less than two distinctly different endorsements" and insert "endorsement"

Page 50, line 9, delete "cannabis" and insert "hemp"

Page 51, line 6, delete everything after the second "of" and insert "cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 51, line 7, delete the new language

Page 51, line 11, delete everything after the second "of" and insert "any cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 51, line 12, delete the new language

Page 51, line 14, delete the new language and insert "any cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 51, line 15, delete the new language

Page 51, line 28, delete the new language and insert "cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 51, line 29, delete the new language

Page 52, line 8, delete everything after "any" and insert "cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 52, line 9, delete "industry"

Page 52, line 13, delete the new language and insert "cannabis business, hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter"

Page 52, line 14, delete the new language

Page 56, line 13, after "program" insert "and consuming cannabis as prescribed"

Page 56, line 21, after "researcher" insert "employed by or affiliated with institutions of higher education that are regionally or nationally accredited"

Page 57, line 2, strike "of"

Page 57, line 4, delete the first "plant canopy" and delete "plant canopy" and insert "size"

Page 60, delete section 64

Page 64, delete section 69 and insert:

"Sec. 71. [342.465] LOWER-POTENCY HEMP EDIBLES; PROHIBITED CONDUCT.

No person may sell, give, furnish, or in any way procure for another person lower-potency hemp edibles for the use of an obviously impaired person."

Page 68, line 21, after the second "business" insert "or holding an active registration agreement under section 152.25, subdivision 1"

Page 69, line 31, delete "subdivision 1,"

Renumber the subdivisions and sections in sequence and correct the internal references

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Agriculture, Broadband, and Rural Development. Amendments adopted. Report adopted.

Senator Klein from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 3537: A bill for an act relating to consumer protection; defining deceptive trade practices to include the failure to disclose mandatory fees in advertising; amending Minnesota Statutes 2023 Supplement, section 325D.44, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 325D.44, is amended by adding a subdivision to read:

Subd. 1a. **Advertisements, displays, or offers.** (a) A person engages in a deceptive trade practice when, in the course of business, vocation, or occupation, the person advertises, displays, or offers a price for goods or services that does not include all mandatory fees or surcharges. If the person that disseminates an advertisement is independent of the advertiser, then that person shall not be liable for the content of the advertisement.

(b) For purposes of this subdivision, "mandatory fee" includes but is not limited to a fee or surcharge that:

(1) must be paid in order to purchase the goods or services being advertised;

(2) is not reasonably avoidable by the consumer; or

(3) a reasonable consumer would expect to be included in the purchase of the goods or services being advertised.

(c) For the purposes of this subdivision, mandatory fee does not include:

(1) taxes imposed by a government entity on the sale, use, purchase, receipt, or delivery of the goods or services; or

(2) fees related to the purchase or lease of a motor vehicle which are authorized by Minnesota Statutes.

(d) A delivery platform must comply with the following requirements:

(1) at the point when a consumer views and selects either a vendor or items for purchase, a delivery platform must display in a clear and conspicuous manner that an additional flat fee or percentage will be charged. The disclosure must include the additional fee or percentage amount; and

(2) after a consumer selects items for purchase, but prior to checkout, a delivery platform must display a subtotal page that itemizes the price of the menu items and the additional fee that will be included in the total cost.

(d) A person may charge a reasonable postage or shipping fee that will be actually incurred by a consumer who has purchased a good that requires shipping.

(e) Nothing in this subdivision shall prevent a person from offering goods or services at a discounted price from the advertised, displayed, or offered price.

(f) A person offering goods or services in an auction where consumers can place bids on the goods or services and the total cost is indeterminable must disclose in a clear and conspicuous manner any mandatory fees associated with the transaction and that the total cost of the goods or services may vary.

(g) A person offering services, where the total cost is determined by consumer selections and preferences, or relating to distance or time, must disclose in a clear and conspicuous manner the factors that will determine the total price, any mandatory fees associated with the transaction, and that the total cost of the services may vary.

(h) A food service establishment shall be deemed compliant with this section if, in every offer or advertisement for the purchase or lease of a good or service that includes pricing information, the total price of the good or service being offered or advertised includes a clear and conspicuous disclosure of the percentage of any automatic and mandatory gratuities to be charged.

(i) This subdivision does not apply to the following:

(1) any industry where federal law or other state law regulates pricing disclosures;

(2) any fees, surcharges, or other costs associated with settlement services, as defined in the Real Estate Settlement Procedures Act under United States Code, title 12, section 2602(3);

(3) any business or its affiliate where either the business or the affiliate is regulated by the Minnesota Public Utilities Commission or the Federal Communications Commission; or

(4) any industry where prices are regulated by a governmental authority or corporate brand that requires a disclosure of a fee.

EFFECTIVE DATE. This section is effective August 1, 2025."

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Carlson from the Committee on Elections, to which was referred

S.F. No. 4729: A bill for an act relating to elections; modifying the authority of the Campaign Finance and Public Disclosure Board to impose a civil penalty and late fees; expanding the definition of electioneering communication to include communications disseminated digitally online or by electronic means to a recipient's telephone or other personal device; modifying the definition of major political party; amending Minnesota Statutes 2022, section 10A.27, subdivision 17; Minnesota Statutes 2023 Supplement, sections 10A.20, subdivision 12; 10A.201, subdivisions 3, 4, 6, 9; 200.02, subdivision 7; repealing Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 2.92, subdivision 4, is amended to read:

Subd. 4. **Applicability.** This section applies ~~from January 1 to July 1 in any year during which a to all~~ decennial census is activities conducted under the authority of the United States Constitution, article 1, section 2.

Sec. 2. **[2.93] INCARCERATED PERSONS IN DISTRICT PLANS.**

Subdivision 1. Definitions. (a) For the purposes of this section, the definitions have the meanings given.

(b) "Commissioner" means the commissioner of corrections.

(c) "Director" means the director of the Legislative Coordinating Commission.

(d) "Legislative Coordinating Commission" means the Legislative Coordinating Commission established in section 3.303.

Subd. 2. **Reallocation and exclusion of incarcerated persons.** (a) For purposes of drawing congressional, legislative, and all other election districts, the legislature and local governments must use the population from the federal decennial census as modified by reallocating and excluding persons who are incarcerated.

(b) A person who was incarcerated in a state or federal correctional facility, as determined by the decennial census, and who has a last known address in Minnesota must be reallocated to the census block of the last known address.

(c) A person who was incarcerated in a state or federal correctional facility, as determined by the decennial census, and who has a last known address outside of Minnesota or does not have a last known address must:

(1) be excluded from the population count for purposes of drawing congressional, legislative, or political subdivision districts; and

(2) be counted as part of the statewide population total.

Subd. 3. **Department of Corrections duties.** (a) On or before June 1 in a year ending in zero, the commissioner must provide to the director of the Legislative Coordinating Commission the following information, in electronic form, for each person incarcerated in a state correctional facility on April 1 in the year of the decennial census:

(1) a unique identifier that does not include the person's name, Department of Corrections identification number, or other identifying information;

(2) the street address of the correctional facility in which the person was incarcerated at the time of the report;

(3) the residential address of the person immediately prior to incarceration, if known, or if the person resided in an area lacking a specific physical address immediately prior to incarceration, a description of the physical location where the person regularly stayed immediately prior to being incarcerated;

(4) the following demographic information, if known: the racial and ethnic information collected by the census and whether the person is over the age of 18; and

(5) any additional information the director of the Legislative Coordinating Commission deems necessary.

(b) Notwithstanding any law to the contrary, the commissioner must provide the director with access to the best available data necessary to conduct the reallocations and exclusions required by this section.

Subd. 4. **Federal correctional facilities.** By April 15 in a year ending in zero, the director must request each agency that operates a federal facility in Minnesota that incarcerates persons convicted of a criminal offense to provide the director with a report, including the information listed in subdivision 3. The information must reflect the persons incarcerated in the federal facility on April 1 of that year. If information is provided pursuant to this subdivision, the information must be provided by June 1 of the year ending in zero. If information is not provided pursuant to this subdivision, persons incarcerated at federal facilities must be treated as having no known last address and must be excluded as provided in subdivision 2, paragraph (c).

Subd. 5. **Legislative Coordinating Commission duties.** (a) The director must reallocate and exclude people who are incarcerated in state or federal correctional facilities as provided in this subdivision and subdivision 2. Within 30 calendar days of receiving the Public Law 94-171 data from the United States Census Bureau, the director must post the population counts that reflect all required reallocations and exclusions on the Legislative Coordinating Commission's website.

(b) The director must, in consultation with the commissioner, develop a standardized format and technical guidelines to be used in collecting addresses from incarcerated persons. The commissioner must use this format and follow the guidelines in collecting addresses. The commissioner and the director may enter a memorandum of understanding detailing the additional details regarding the methodology to be used and the format and manner in which the data will be provided. Notwithstanding any law to the contrary, the commissioner must provide the director with access to the best available data necessary to conduct the reallocations and exclusions required by this section.

(c) Prior to reallocating and excluding incarcerated persons, the director must geocode addresses received from the commissioner. When geocoding addresses, the director must accept an address that has an exact match or is approximated to the street level and reject any address that is approximated to the center of a zip code, city, county, or state. The director must only reallocate those addresses that are accepted pursuant to this paragraph. The director must not reallocate any person at an address that was rejected but must instead count that person as part of the statewide population total.

(d) The director must not disseminate data received pursuant to this section in any manner, except as explicitly required by state or federal law.

EFFECTIVE DATE. This section is effective January 1, 2030, and applies to population counts used for redistricting conducted on or after that date.

Sec. 3. Minnesota Statutes 2023 Supplement, section 5.305, subdivision 5, is amended to read:

Subd. 5. **Use of funds.** A local unit of government may use the funds allocated pursuant to this section for the following purposes, provided the expenditures are directly related to election administration:

- (1) equipment;
- (2) hardware or software;
- (3) cybersecurity;

- (4) security-related infrastructure;
- (5) capital improvements to government-owned property to improve access to polling places for individuals with disabilities;
- (6) staff costs for election administrators, election judges, and other election officials;
- (7) printing and publication;
- (8) postage;
- (9) programming;
- (10) transitioning to a .gov domain;
- (11) local match for state or federal funds; and
- ~~(H)~~ (12) any other purpose directly related to election administration.

Sec. 4. Minnesota Statutes 2022, section 10A.01, subdivision 7, is amended to read:

Subd. 7. **Ballot question.** "Ballot question" means a question or proposition that is placed on the ballot and that may be voted on by:

- (1) all voters of the state; or
- (2) all voters of ~~Hennepin County~~;
- ~~(3) all voters of any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or~~
- ~~(4) all voters of Special School District No. 1~~ a county, city, school district, township, or special district.

"Promoting or defeating a ballot question" includes activities, other than lobbying activities, related to qualifying the question for placement on the ballot.

Sec. 5. Minnesota Statutes 2022, section 10A.01, subdivision 10d, is amended to read:

Subd. 10d. **Local candidate.** "Local candidate" means an individual who seeks nomination or election to:

- ~~(1) any county office in Hennepin County;~~
- ~~(2) any city office in any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or~~
- ~~(3) the school board in Special School District No. 1~~ a county, city, school district, township, or special district office.

Sec. 6. Minnesota Statutes 2022, section 10A.01, is amended by adding a subdivision to read:

Subd. 16b. **Employee of a political subdivision.** "Employee of a political subdivision" includes an individual hired or appointed by the political subdivision. An individual is also an employee of a political subdivision if the individual is:

(1) hired to provide the political subdivision services as a consultant or independent contractor;
or

(2) employed by a business that has contracted with the political subdivision to provide legal counsel, professional services, or policy recommendations to the political subdivision.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 7. Minnesota Statutes 2023 Supplement, section 10A.01, subdivision 21, is amended to read:

Subd. 21. **Lobbyist.** (a) "Lobbyist" means an individual:

(1) engaged for pay or other consideration of more than \$3,000 from all sources in any year:

(i) for the purpose of attempting to influence legislative or administrative action, or the official action of a political subdivision, by communicating ~~or urging others to communicate~~ with public or local officials; or

(ii) from a business whose primary source of revenue is derived from facilitating government relations or government affairs services if the individual's job duties include offering direct or indirect consulting or advice that helps the business provide those services to clients; or

(2) who spends more than \$3,000 of the individual's personal funds, not including the individual's own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action, or the official action of a political subdivision, by communicating ~~or urging others to communicate~~ with public or local officials.

(b) "Lobbyist" does not include:

(1) a public official;

(2) an employee of the state, including an employee of any of the public higher education systems;

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or administrative action, or the official action of a political subdivision other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a political subdivision, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of political subdivisions;

(5) a party or the party's representative appearing in a proceeding before a state board, commission, or agency of the executive branch unless the board, commission, or agency is taking administrative action;

(6) an individual while engaged in selling goods or services to be paid for by public funds;

(7) a news medium or its employees or agents while engaged in the publishing or broadcasting of news items, editorial comments, or paid advertisements which directly or indirectly urge official action;

(8) a paid expert witness whose testimony is requested by the body before which the witness is appearing, but only to the extent of preparing or delivering testimony; ~~or~~

(9) a party or the party's representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim-;

(10) an individual providing information, data, advice, professional opinions, variables, options, or direction on a topic on which the individual has particular expertise through education or professional or occupational training to a local official at a lobbyist's request; or

(11) an individual providing information or advice to members of a collective bargaining unit when the unit is actively engaged in the collective bargaining process with a state agency or a political subdivision.

(c) An individual who volunteers personal time to work without pay or other consideration on a lobbying campaign, and who does not spend more than the limit in paragraph (a), clause (2), need not register as a lobbyist.

(d) An individual who provides administrative support to a lobbyist and whose salary and administrative expenses attributable to lobbying activities are reported as lobbying expenses by the lobbyist, but who does not communicate or urge others to communicate with public or local officials, need not register as a lobbyist.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 8. Minnesota Statutes 2022, section 10A.01, subdivision 33, is amended to read:

Subd. 33. **Principal.** "Principal" means an individual or association that:

(1) spends more than ~~\$500~~ \$3,000 in the aggregate in any calendar year to engage a lobbyist, compensate a lobbyist, or authorize the expenditure of money by a lobbyist; or

(2) ~~is not included in clause (1) and~~ spends a total of at least \$50,000 in any calendar year ~~on efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units~~ political subdivisions, as described in section 10A.04, subdivision 6.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to activities occurring on or after that date.

Sec. 9. Minnesota Statutes 2023 Supplement, section 10A.04, subdivision 6, is amended to read:

Subd. 6. **Principal reports.** (a) A principal must report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) The principal must report the total amount, rounded to the nearest ~~\$9,000~~ \$5,000, spent by the principal during the preceding calendar year on each type of lobbying listed below:

(1) lobbying to influence legislative action;

(2) lobbying to influence administrative action, other than lobbying described in clause (3);

(3) lobbying to influence administrative action in cases of rate setting, power plant and powerline siting, and granting of certificates of need under section 216B.243; and

(4) lobbying to influence official action of a political subdivision.

(c) For each type of lobbying listed in paragraph (b), the principal must report a total amount that includes:

(1) the portion of all direct payments for compensation and benefits paid by the principal to lobbyists in this state for that type of lobbying;

(2) the portion of all expenditures for advertising, mailing, research, consulting, surveys, expert testimony, studies, reports, analysis, compilation and dissemination of information, communications and staff costs used for the purpose of urging members of the public to contact public or local officials to influence official actions, social media and public relations campaigns, and legal counsel used to support that type of lobbying in this state; and

(3) a reasonable good faith estimate of the portion of all salaries and administrative overhead expenses attributable to activities of the principal for that type of lobbying in this state.

(d) The principal must report disbursements made and obligations incurred that exceed \$2,000 for paid advertising used for the purpose of urging members of the public to contact public or local officials to influence official actions during the reporting period. Paid advertising includes the cost to boost the distribution of an advertisement on social media. The report must provide the date that the advertising was purchased, the name and address of the vendor, a description of the advertising purchased, and any specific subjects of interest addressed by the advertisement.

Sec. 10. Minnesota Statutes 2023 Supplement, section 10A.20, subdivision 2a, is amended to read:

Subd. 2a. **Local election reports.** (a) This subdivision applies to a political committee, political fund, or political party unit that during a non-general election year:

(1) spends in aggregate more than \$200 to influence the nomination or election of local candidates;

(2) spends in aggregate more than \$200 to make independent expenditures on behalf of local candidates; or

(3) spends in aggregate more than \$200 to promote or defeat ballot questions defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

(b) In addition to the reports required by subdivision 2, the entities listed in paragraph (a) must file the following reports in each non-general election year:

(1) a first-quarter report covering the calendar year through March 31, which is due April 14;

(2) a report covering the calendar year through May 31, which is due June 14;

(3) a ~~pre-primary election~~ July report due 15 days before the local primary election date specified in section 205.065;

(4) a pre-general-election report due 42 days before the local general election; and

(5) a pre-general-election report due ten days before a local general election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the entity reaches the spending threshold specified in paragraph (a). The ~~pre-primary~~ July report required under clause (3) is required for all entities required to report under paragraph (a), regardless of whether the candidate or issue is on the primary ballot or a primary is not conducted.

Sec. 11. Minnesota Statutes 2023 Supplement, section 10A.20, subdivision 12, is amended to read:

Subd. 12. **Failure to file; late fees; penalty.** (a) If an individual or association fails to file a report required by this section or section 10A.202, the board may impose a late filing fee and a civil penalty as provided in this subdivision.

(b) If ~~an individual or association~~ a candidate, political committee, political fund, principal campaign committee, or party unit fails to file a report required by this section that is due January 31, the board may impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the report was due.

(c) Except for reports governed by paragraph (b), if an individual, political committee, political fund, principal campaign committee, party unit, or association fails to file a report required by subdivision 2, 2a, or 5, or by section 10A.202, the board may impose a late filing fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the statement was due, ~~provided that~~. If the total ~~receipts received~~ expenditures or disbursements that occurred during the reporting period ~~or total expenditure reportable under section 10A.202~~ exceeds \$25,000, then the board may also impose a late filing fee of up to two percent of the ~~amount~~ expenditures or disbursements that should have been reported, per day, commencing on the day after the report was due, not to exceed 100 percent of the amount that should have been reported.

(d) If an individual, political committee, political fund, principal campaign committee, party unit, or association has been assessed a late filing fee or civil penalty under this subdivision during the prior four years, the board may impose a late filing fee, a civil penalty, or both of up to twice the amount otherwise authorized by this subdivision. If an individual, political committee, political fund, principal campaign committee, party unit, or association has been assessed a late filing fee

under this subdivision more than two times during the prior four years, the board may impose a late filing fee of up to three times the amount otherwise authorized by this subdivision.

(e) Within ten business days after the report was due or receipt by the board of information disclosing the potential failure to file a report required by this section, the board must send notice by certified mail that the individual or association may be subject to a civil penalty for failure to file the report. An individual who fails to file the report within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to ~~\$1,000~~ \$2,000 in addition to the late filing fees imposed by this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 12. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 3, is amended to read:

Subd. 3. ~~Can be received by 10,000 or more individuals~~ **Targeted to the relevant electorate.**
(a) ~~"Can be received by 10,000 or more individuals"~~ "Targeted to the relevant electorate" means that a communication can be received in the district the candidate seeks to represent, in the case of a candidate for representative, senator, or other office represented by district; or in the entire state, if the candidate seeks a statewide office, as follows:

(1) in the case of a communication transmitted by an FM radio broadcast station or network, where the district lies entirely within the station's or network's protected or primary service contour, that the population of the district is 10,000 or more;

(2) in the case of a communication transmitted by an FM radio broadcast station or network, where a portion of the district lies outside of the protected or primary service contour, that the population of the part of the district lying within the station's or network's protected or primary service contour is 10,000 or more;

(3) in the case of a communication transmitted by an AM radio broadcast station or network, where the district lies entirely within the station's or network's most outward service area, that the population of the district is 10,000 or more;

(4) in the case of a communication transmitted by an AM radio broadcast station or network, where a portion of the district lies outside of the station's or network's most outward service area, that the population of the part of the district lying within the station's or network's most outward service area is 10,000 or more;

(5) in the case of a communication appearing on a television broadcast station or network, where the district lies entirely within the station's or network's Grade B broadcast contour, that the population of the district is 10,000 or more;

(6) in the case of a communication appearing on a television broadcast station or network, where a portion of the district lies outside of the Grade B broadcast contour:

(i) that the population of the part of the district lying within the station's or network's Grade B broadcast contour is 10,000 or more; or

(ii) that the population of the part of the district lying within the station's or network's broadcast contour, when combined with the viewership of that television station or network by cable and satellite subscribers within the district lying outside the broadcast contour, is 10,000 or more;

(7) in the case of a communication appearing exclusively on a cable or satellite television system, but not on a broadcast station or network, that the viewership of the cable system or satellite system lying within a district is 10,000 or more; ~~or~~

(8) in the case of a communication appearing on a cable television network, that the total cable and satellite viewership within a district is 10,000 or more; or

(9) in the case of an email blast, a text message blast, a telephone bank, or a qualifying paid digital advertisement or communication, that the communication is capable of being received by 2,500 or more individuals in a district.

(b) Cable or satellite television viewership is determined by multiplying the number of subscribers within a district, or a part thereof, as appropriate, by the current average household size for Minnesota, as determined by the Bureau of the Census.

(c) A determination that a communication can be received by 10,000 or more individuals based on the application of the formula in this section shall create a rebuttable presumption that may be overcome by demonstrating that:

(1) one or more cable or satellite systems did not carry the network on which the communication was publicly distributed at the time the communication was publicly distributed; and

(2) applying the formula to the remaining cable and satellite systems results in a determination that the cable network or systems upon which the communication was publicly distributed could not be received by 10,000 individuals or more.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 13. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 4, is amended to read:

Subd. 4. **Direct costs of producing or airing electioneering communications.** "Direct costs of producing or airing electioneering communications" means:

(1) costs charged by a vendor, including studio rental time, staff salaries, costs of video or audio recording media, and talent; ~~and~~

(2) the cost of airtime on broadcast, cable, or satellite radio and television stations, studio time, material costs, and the charges for a broker to purchase the airtime; and

(3) the cost to access any platform used to disseminate messages digitally online or by electronic means to a recipient's telephone or other electronic device.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 14. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 6, is amended to read:

Subd. 6. **Electioneering communication.** (a) "Electioneering communication" means any broadcast, cable, ~~or~~ satellite, or digital communication that:

(1) refers to a clearly identified candidate for state office;

(2) is publicly distributed within 60 days before a general election for the office sought by the candidate; ~~or, within 30 days before a primary election for the office sought by the candidate, or within 30 days before a convention or caucus of a political party unit that has authority to nominate, endorse a candidate, for the office sought by the candidate, and the candidate referenced is seeking the nomination of that political party; and~~

(3) is targeted to the relevant electorate.

(b) A communication is not an electioneering communication if it:

(1) is publicly disseminated through a means of communication other than a broadcast, cable, ~~or~~ satellite television, or radio station, or by digital means through an electronic device;

(2) appears in a news story, commentary, or editorial distributed through the facilities of any broadcast, cable, or satellite television or radio station, unless such facilities are owned or controlled by any political party, political committee, or candidate, provided that a news story distributed through a broadcast, cable, or satellite television or radio station owned or controlled by any political party, political committee, or candidate is not an electioneering communication if the news story meets the requirements described in Code of Federal Regulations, title 11, section 100.132 (a) and (b);

(3) constitutes an expenditure or independent expenditure, provided that the expenditure or independent expenditure is required to be reported under this chapter;

(4) constitutes a candidate debate or forum, or that solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

(5) is paid for by a candidate.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 15. Minnesota Statutes 2023 Supplement, section 10A.201, subdivision 9, is amended to read:

Subd. 9. **Publicly distributed.** "Publicly distributed" means aired, broadcast, cablecast, or otherwise disseminated through the facilities of a television station, radio station, cable television system, or satellite system, or disseminated in a digital format online or by other electronic means to a recipient's telephone or other electronic device.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 16. Minnesota Statutes 2023 Supplement, section 10A.202, subdivision 1, is amended to read:

Subdivision 1. **Reports required.** Any person who has made an electioneering communication, as defined in section 10A.201, aggregating in excess of \$10,000 during any calendar year shall file a statement with the board no later than 11:59 p.m. on the day following the disclosure date. The statement shall be filed under penalty of perjury, and must contain the information set forth in subdivision 2. Political committees, political funds, and political party units that make a communication described in section 10A.201 must report the communication as a campaign expenditure or independent expenditure as otherwise provided by this chapter and are not required to file a report under this section.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 17. Minnesota Statutes 2022, section 10A.27, subdivision 17, is amended to read:

Subd. 17. **Penalty.** (a) An association that makes a contribution under subdivision 15 and fails to provide the required statement within the time specified is subject to a late filing fee of \$100 a day not to exceed \$1,000, commencing the day after the statement was due. The board must send notice by certified mail that the individual or association may be subject to a civil penalty for failure to file the statement. An association that fails to provide the required statement within seven days after the certified mail notice was sent by the board is subject to a civil penalty of up to four times the amount of the contribution, but not to exceed \$25,000,~~except when the violation was intentional.~~

(b) An independent expenditure political committee or an independent expenditure political fund that files a report without including the statement required under subdivision 15 is subject to a late filing fee of \$100 a day not to exceed \$1,000, commencing the day after the report was due. The board must send notice by certified mail that the independent expenditure political committee or independent expenditure fund may be subject to a civil penalty for failure to file the statement. An association that fails to provide the required statement within seven days after the certified mail notice was sent by the board is subject to a civil penalty of up to four times the amount of the contribution for which disclosure was not filed, but not to exceed \$25,000,~~except when the violation was intentional.~~

(c) If an independent expenditure political committee or an independent expenditure political fund has been assessed a late filing fee under this subdivision during the prior four years, the board may impose a late filing fee of up to twice the amount otherwise authorized by this subdivision. If an independent expenditure political committee or an independent expenditure political fund has been assessed a late filing fee under this subdivision more than two times during the prior four years, the board may impose a late filing fee of up to three times the amount otherwise authorized by this subdivision.

~~(e)~~ (d) No other penalty provided in law may be imposed for conduct that is subject to a civil penalty under this section.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to penalties assessed on or after that date.

Sec. 18. Minnesota Statutes 2022, section 123B.09, subdivision 5b, is amended to read:

Subd. 5b. **Appointments to fill vacancies; special elections.** (a) Any vacancy on the board, other than a vacancy described in subdivision 4, must be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall be effective 30 days following adoption of the resolution, subject to paragraph ~~(b)~~ (d). If the appointment becomes effective, it shall continue for the remainder of the unexpired term or until an election is held under this subdivision, as applicable. All elections to fill vacancies shall be for the unexpired term. A special election to fill the vacancy must be held no later than the first Tuesday after the first Monday in November following the vacancy. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the year in which the vacancy occurs, the special election must be held no later than the first Tuesday after the first Monday in November of the following calendar year. ~~If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the third year of the term, no special election is required. If the vacancy is filled by a special election, the person elected at that election for the ensuing term shall take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.~~

(b) Notwithstanding paragraph (a), if the vacancy occurs less than two years prior to the expiration of the term, no special election is required and the appointee of the board shall serve for the remainder of the unexpired term, subject to paragraph (d).

(c) Notwithstanding paragraphs (a) and (b), if the vacancy occurs because a school board member was removed pursuant to section 123B.09, subdivision 9, a special election must be held to fill the vacancy as soon as possible on a uniform election date.

(d) Notwithstanding paragraph (a), if the vacancy occurs less than 90 days prior to the expiration of the term, the board may, but is not required to, fill the vacancy by board appointment at a regular or special meeting.

~~(b)~~ (e) An appointment made under paragraph (a) shall not be effective if a petition to reject the appointee is filed with the school district clerk. To be valid, a petition to reject an appointee must be signed by a number of eligible voters residing in the district equal to at least five percent of the total number of voters voting in the district at the most recent state general election, and must be filed within 30 days of the board's adoption of the resolution making the appointment. If a valid petition is filed according to the requirements of this paragraph, the appointment by the school board is ineffective and the board must name a new appointee as provided in paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to vacancies occurring on or after that date.

Sec. 19. Minnesota Statutes 2023 Supplement, section 200.02, subdivision 7, is amended to read:

Subd. 7. **Major political party.** (a) "Major political party" means a political party that maintains a party organization in the state; has complied with the party's constitution and rules; is in compliance with the requirements of sections 202A.12 and 202A.13; files with the secretary of state no later than December 1 of each odd-numbered year a certification that the party has met the foregoing

requirements, including a list of the dates and locations of each convention held; and meets all other qualification requirements of this subdivision.

(b) A political party qualifies as a major political party by:

(1) presenting at least one candidate for election to the office of:

(i) governor and lieutenant governor, secretary of state, state auditor, or attorney general at the last preceding state general election for those offices; or

(ii) presidential elector or U.S. senator at the last preceding state general election for presidential electors; and

whose candidate received votes in each county in that election and received votes from ~~not less than five percent of the total number of individuals who voted in that election, if the state general election was held on or before November 8, 2022, or~~ not less than eight percent of the total number of individuals who voted in that election, ~~at a state general election held on or after November 7, 2024;~~

(2) presenting at least 45 candidates for election to the office of state representative, 23 candidates for election to the office of state senator, four candidates for election to the office of representative in Congress, and one candidate for election to each of the following offices: governor and lieutenant governor, attorney general, secretary of state, and state auditor, at the last preceding state general election for those offices; or

(3) presenting to the secretary of state at any time before the close of filing for the state partisan primary ballot a petition for a place on the state partisan primary ballot, which petition contains valid signatures of a number of the party members equal to at least five percent of the total number of individuals who voted in the preceding state general election. A signature is valid only if signed no more than one year prior to the date the petition was filed.

(c) A political party whose candidate receives a sufficient number of votes at a state general election described in paragraph (b), clause (1), or a political party that presents candidates at an election as required by paragraph (b), clause (2), becomes a major political party as of January 1 following that election. A political party that complies with paragraph (a) retains its major party status for at least two state general elections even if the party fails to present a candidate who receives the number and percentage of votes required under paragraph (b), clause (1), or fails to present candidates as required by paragraph (b), clause (2), at subsequent state general elections.

(d) A major political party whose candidates fail to receive the number and percentage of votes required under paragraph (b), clause (1), and that fails to present candidates as required by paragraph (b), clause (2), at each of two consecutive state general elections described by paragraph (b), clause (1) or (2), respectively, loses major party status as of December 31 following the later of the two consecutive state general elections.

(e) A major political party that does not submit the certification required by this subdivision loses major party status on December 31 of the year in which the party did not file the certification.

(f) The secretary of state must notify the chair of the major political party, the commissioner of revenue, and the Campaign Finance and Public Disclosure Board if the political party's status is changed pursuant to this section.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 20. Minnesota Statutes 2023 Supplement, section 201.061, subdivision 3, is amended to read:

Subd. 3. **Election day registration.** (a) An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration application, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) presenting a driver's license or Minnesota identification card issued pursuant to section 171.07;

(2) presenting any document approved by the secretary of state as proper identification;

(3) presenting ~~one of the following:~~

~~(i) a current valid student identification card from a postsecondary educational institution in Minnesota, if a list of students from that institution has been prepared under section 135A.17 and certified to the county auditor in the manner provided in rules of the secretary of state; or~~

~~(ii) a current student fee statement that contains the student's valid address in the precinct together with a picture identification card; or~~

(4) having a voter who is registered to vote in the precinct, or an employee employed by and working in a residential facility in the precinct and vouching for a resident in the facility, sign an oath in the presence of the election judge vouching that the voter or employee personally knows that the individual is a resident of the precinct. A voter who has been vouched for on election day may not sign a proof of residence oath vouching for any other individual on that election day. A voter who is registered to vote in the precinct may sign up to eight proof-of-residence oaths on any election day. This limitation does not apply to an employee of a residential facility described in this clause. The secretary of state shall provide a form for election judges to use in recording the number of individuals for whom a voter signs proof-of-residence oaths on election day. The form must include space for the maximum number of individuals for whom a voter may sign proof-of-residence oaths. For each proof-of-residence oath, the form must include a statement that the individual: (i) is registered to vote in the precinct or is an employee of a residential facility in the precinct, (ii) personally knows that the voter is a resident of the precinct, and (iii) is making the statement on oath. The form must include a space for the voter's printed name, signature, telephone number, and address.

The oath required by this subdivision and Minnesota Rules, part 8200.9939, must be attached to the voter registration application.

(b) The operator of a residential facility shall prepare a list of the names of its employees currently working in the residential facility and the address of the residential facility. The operator shall certify the list and provide it to the appropriate county auditor no less than 20 days before each election for use in election day registration.

(c) "Residential facility" means transitional housing as defined in section 256E.33, subdivision 1; a supervised living facility licensed by the commissioner of health under section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision 5; an assisted living facility licensed by the commissioner of health under chapter 144G; a veterans home operated by the board of directors of the Minnesota Veterans Homes under chapter 198; a residence licensed by the commissioner of human services to provide a residential program as defined in section 245A.02, subdivision 14; a residential facility for persons with a developmental disability licensed by the commissioner of human services under section 252.28; setting authorized to provide housing support as defined in section 256I.03, subdivision 10a; a shelter for battered women as defined in section 611A.37, subdivision 4; a supervised publicly or privately operated shelter or dwelling designed to provide temporary living accommodations for the homeless; a facility where a provider operates a residential treatment program as defined in section 245.462, subdivision 23; or a facility where a provider operates an adult foster care program as defined in section 245A.02, subdivision 6c.

(d) For tribal band members, an individual may prove residence for purposes of registering by:

(1) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, address, signature, and picture of the individual; or

(2) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, signature, and picture of the individual and also presenting one of the documents listed in Minnesota Rules, part 8200.5100, subpart 2, item B.

(e) A county, school district, or municipality may require that an election judge responsible for election day registration initial each completed registration application.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 21. Minnesota Statutes 2023 Supplement, section 201.061, subdivision 3a, is amended to read:

Subd. 3a. **Additional proofs of residence permitted for students.** (a) ~~An eligible voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17, certified to the county auditor by the postsecondary educational institution, the voter may prove residence by presenting a current valid photo identification issued by a postsecondary educational institution in Minnesota if the voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17, certified to the county auditor by the postsecondary educational institution; identification authorized in subdivision 3, paragraph (a), clause (1) or (2); or identification authorized in subdivision 3, paragraph (d), clause (1) or (2).~~ If an eligible voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17, certified to the county auditor by the postsecondary educational institution, the voter may prove residence by presenting a current valid photo identification issued by a postsecondary educational institution in Minnesota if the voter's name; student identification number, if available; and address within the precinct appear on a current residential housing list under section 135A.17, certified to the county auditor by the postsecondary educational institution; identification authorized in subdivision 3, paragraph (a), clause (1) or (2); or identification authorized in subdivision 3, paragraph (d), clause (1) or (2).

(b) This additional proof of residence for students must not be allowed unless the postsecondary educational institution submits to the county auditor no later than 60 days prior to the election a written agreement that the postsecondary educational institution will certify for use at the election accurate updated residential housing lists under section 135A.17. A written agreement is effective for the election and all subsequent elections held in that calendar year, including the November general election.

(c) The additional proof of residence for students must be allowed on an equal basis for voters who reside in housing meeting the requirements of section 135A.17, if the residential housing lists certified by the postsecondary educational institution meet the requirements of this subdivision.

(d) An updated residential housing list must be certified to the county auditor no ~~earlier~~ later than 20 days prior to each election. The certification must be dated and signed by the chief officer or designee of the postsecondary educational institution and must state that the list is current and accurate and includes only the names of persons residing in the institution's housing and, for students who do not live in the institution's housing, that it reflects the institution's records as of the date of the certification.

(e) The county auditor shall instruct the election judges of the precinct in procedures for use of the list in conjunction with photo identification. The auditor shall supply a list to the election judges with the election supplies for the precinct.

(f) The county auditor shall notify all postsecondary educational institutions in the county of the provisions of this subdivision.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 22. Minnesota Statutes 2023 Supplement, section 201.071, subdivision 1, is amended to read:

Subdivision 1. **Form.** Both paper and electronic voter registration applications must contain the same information unless otherwise provided by law. A voter registration application must contain spaces for the following required information: voter's first name, middle name, and last name; voter's previous name, if any; voter's current address; voter's previous address, if any; voter's date of birth; voter's municipality and county of residence; voter's telephone number, if provided by the voter; date of registration; current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification, the last four digits of the voter's Social Security number; a box to indicate a voter's preference to join the permanent absentee voter list; and voter's signature. The paper registration application must provide a space for a voter to provide a physical description of the location of their residence, if the voter resides in an area lacking a specific physical address. The paper registration application may include the voter's email address, if provided by the voter. The electronic voter registration application must include the voter's email address. The registration application may include the voter's interest in serving as an election judge, if indicated by the voter. The application must also contain the following certification of voter eligibility:

"I certify that I:

(1) am at least 16 years old and understand that I must be at least 18 years old to be eligible to vote;

(2) am a citizen of the United States;

(3) will have maintained residence in Minnesota for 20 days immediately preceding election day;

(4) maintain residence at the address or location given on the registration form;

(5) am not under court-ordered guardianship in which the court order revokes my right to vote;

(6) have not been found by a court to be legally incompetent to vote;

(7) am not currently incarcerated for a conviction of a felony offense; and

(8) have read and understand the following statement: that giving false information is a felony punishable by not more than five years imprisonment or a fine of not more than \$10,000, or both."

The certification must include boxes for the voter to respond to the following questions:

"(1) Are you a citizen of the United States?" and

"(2) Are you at least 16 years old and will you be at least 18 years old on or before the day of the election in which you intend to vote?"

And the instruction:

"If you checked 'no' to either of these questions, do not complete this form."

The form of the voter registration application and the certification of voter eligibility must be as provided in this subdivision and approved by the secretary of state. Voter registration forms authorized by the National Voter Registration Act must also be accepted as valid. The federal postcard application form must also be accepted as valid if it is not deficient and the voter is eligible to register in Minnesota.

An individual may use a voter registration application to apply to register to vote in Minnesota or to change information on an existing registration.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 23. Minnesota Statutes 2022, section 201.071, subdivision 3, is amended to read:

Subd. 3. **Deficient registration.** No voter registration application is deficient if it contains the voter's name, address or location of residence, date of birth, current and valid Minnesota driver's license number or Minnesota state identification number, or if the voter has no current and valid Minnesota driver's license or Minnesota state identification number, the last four digits of the voter's Social Security number, if the voter has been issued a Social Security number, prior registration, if any, and signature. The absence of a zip code number does not cause the registration to be deficient. Failure to check a box on an application form that a voter has certified to be true does not cause the

registration to be deficient. The election judges shall request an individual to correct a voter registration application if it is deficient or illegible. No eligible voter may be prevented from voting unless the voter's registration application is deficient or the voter is duly and successfully challenged in accordance with section 201.195 or 204C.12.

A voter registration application accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a voter registration application accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the registration deficient.

A voter registration application accepted before January 1, 2004, is not deficient for lack of a valid Minnesota driver's license or state identification number or the last four digits of a Social Security number. A voter registration application submitted by a voter who does not have a Minnesota driver's license or state identification number, or a Social Security number, is not deficient for lack of any of these numbers.

A voter registration application submitted electronically through the website of the secretary of state prior to April 30, 2014, is not invalid as a result of its electronic submission.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 24. Minnesota Statutes 2023 Supplement, section 201.091, subdivision 4, is amended to read:

Subd. 4. **Public information lists.** (a) The county auditor shall make available for inspection a public information list which must contain the name, address, year of birth, and voting history of each registered voter in the county. Data on applicants submitted pursuant to section 201.061, subdivision 1b, are not part of the public information list until the voter is registered or has voting history. The list must not include the party choice of any voter who voted in a presidential nomination primary. The telephone number must be included on the list if provided by the voter. The public information list may also include information on voting districts. The county auditor may adopt reasonable rules governing access to the list.

(b) No individual inspecting the public information list shall tamper with or alter it in any manner. No individual who inspects the public information list or who acquires a list of registered voters prepared from the public information list may use any information contained in the list for purposes unrelated to elections, political activities, or law enforcement. The secretary of state may provide copies of the public information lists and other information from the statewide registration system for uses related to elections, political activities, or in response to a law enforcement inquiry from a public official concerning a failure to comply with any criminal statute or any state or local tax statute.

(c) Before inspecting the public information list or obtaining a list of voters or other information from the list, the individual shall provide identification to the public official having custody of the public information list and shall state in writing that any information obtained from the list will not be used for purposes unrelated to elections, political activities, or law enforcement. Requests to examine or obtain information from the public information lists or the statewide registration system must be made and processed in the manner provided in the rules of the secretary of state.

(d) Upon receipt of a statement signed by the voter that withholding the voter's name from the public information list is required for the safety of the voter or the voter's family, the secretary of state and county auditor must withhold from the public information list the name of a registered voter.

(e) Notwithstanding paragraphs (b) and (c) and regardless of the purpose of the publication, a recipient of a public information list must not:

(1) publish any of the information from the list on the Internet on any list, database, or other similar searchable format; or

(2) sell, loan, provide access to, or otherwise surrender any information obtained from the list to any person or entity, except that an individual who obtains the public information list on behalf of an organization, entity, or political subdivision may distribute the information to the organization's, entity's, or political subdivision's volunteers or employees for purposes related to elections, political activities, or law enforcement in the case where the information is provided in response to a law enforcement inquiry from a public official concerning a failure to comply with any criminal statute or any state or local tax statute. Nothing in this section prohibits the preparation, use, or transfer, for purposes related to elections or political activities, of a database that includes data obtained from the public information list which is aggregated with data obtained from other sources provided that such database is used exclusively for purposes related to elections or political activities and no information from the list is published on the Internet. The prohibitions of this paragraph do not apply if the subject of the information provides express written permission to use the subject's data in a manner otherwise prohibited by this paragraph. For purposes of this paragraph, "publish" means information is made available to the general public.

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

Sec. 25. Minnesota Statutes 2023 Supplement, section 201.1611, subdivision 1, is amended to read:

Subdivision 1. **Forms.** (a) All postsecondary institutions that enroll students accepting state or federal financial aid must provide voter registration forms to each student during the fall and spring of each year. In state election years, it must be provided 15 days in advance of the deadline for registering to vote for the state general election. If the voter registration forms are provided electronically, the electronic message must be devoted exclusively to voter registration.

(b) All school districts must make available paper or electronic voter registration applications each May and September to all students registered as students of the school district who ~~will be~~ are eligible to register or preregister to vote ~~at the next election after those months~~. A school district has no obligation to provide voter registration applications to students who participate in a postsecondary education option program or who otherwise maintain residence in the district but do not attend a school operated by the district. A school district fulfills its obligation to a student under this section if it provides a voter registration application to the student one time.

(c) The voter registration forms must contain spaces for the information required in section 201.071, subdivision 1, and applicable rules of the secretary of state. The institutions and school districts may request these forms from the secretary of state. Institutions must consult with their campus student government in determining the most effective means of distributing the forms and

in seeking to facilitate election day registration of students under section 201.061, subdivision 3. School districts must advise students that completion of the voter registration application is not a school district requirement.

(d) The institutions must report to the secretary of state by November 30 of each year on their implementation of this section. At a minimum, the report must include how and when the forms were distributed and the voter engagement plan under subdivision 3, paragraph (b), clause (2). Institutions may include information about methods that were effective in increasing student registrations.

(e) By February 1 of each year, the secretary of state must report to the chairs and ranking minority members of the legislative committees with jurisdiction over elections on the information under paragraph (d). The secretary must highlight best practices and innovative methods that were most effective in registering students to vote.

Sec. 26. Minnesota Statutes 2023 Supplement, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. **Application procedures.** (a) Except as otherwise allowed by subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided by the secretary of state and shall furnish them to any person on request. By January 1 of each even-numbered year, the secretary of state shall make the forms to be used available to auditors through electronic means. An application submitted pursuant to this subdivision shall be in writing. An application may be submitted in person, by electronic facsimile device, by electronic mail, or by mail to:

(1) the county auditor of the county where the applicant maintains residence; or

(2) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

~~For a federal, state, or county election,~~ (b) An absentee ballot application may alternatively be submitted electronically through a secure website that shall be maintained by the secretary of state for this purpose. Notwithstanding paragraph ~~(b)~~ (d), the secretary of state must require applicants using the website to submit the applicant's email address and verifiable Minnesota driver's license number, Minnesota state identification card number, or the last four digits of the applicant's Social Security number. This paragraph does not apply to a town election held in March.

(c) An application submitted electronically under this paragraph may only be transmitted to the county auditor for processing if the secretary of state has verified the application information matches the information in a government database associated with the applicant's driver's license number, state identification card number, or Social Security number. The secretary of state must review all unverifiable applications for evidence of suspicious activity and must forward any such application to an appropriate law enforcement agency for investigation.

~~(b)~~ (d) An application shall be approved if it is timely received, signed and dated by the applicant, contains the applicant's name and residence and mailing addresses, date of birth, and at least one of the following:

- (1) the applicant's Minnesota driver's license number;
- (2) Minnesota state identification card number;
- (3) the last four digits of the applicant's Social Security number; or
- (4) a statement that the applicant does not have any of these numbers.

~~(e)~~ (e) To be approved, the application must contain an oath that the information contained on the form is accurate, that the applicant is applying on the applicant's own behalf, and that the applicant is signing the form under penalty of perjury.

~~(d)~~ (f) An applicant's full date of birth, Minnesota driver's license or state identification number, and the last four digits of the applicant's Social Security number must not be made available for public inspection. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device. An application mailed or returned in person to the county auditor or municipal clerk on behalf of a voter by a person other than the voter must be deposited in the mail or returned in person to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election.

~~(e)~~ (g) An application under this subdivision may contain an application under subdivision 5 to automatically receive an absentee ballot.

EFFECTIVE DATE. This section is effective September 1, 2025, and applies to elections occurring on or after November 4, 2025.

Sec. 27. Minnesota Statutes 2023 Supplement, section 203B.07, subdivision 3, is amended to read:

Subd. 3. **Eligibility certificate.** A certificate of eligibility to vote by absentee ballot shall be printed on the back of the signature envelope. The certificate shall contain space for the voter's Minnesota driver's license number, state identification number, or the last four digits of the voter's Social Security number, or to indicate that the voter does not have one of these numbers. The space must be designed to ensure that the voter provides the same type of identification as provided on the voter's absentee ballot application for purposes of comparison. The certificate must also contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements established by law for voting by absentee ballot and space for a statement signed by a person who is registered to vote in Minnesota at least 18 years of age on or before the day of the election and a citizen of the United States or by a notary public or other individual authorized to administer oaths stating that:

- (1) the ballots were displayed to that individual unmarked;
- (2) the voter marked the ballots in that individual's presence without showing how they were marked, or, if the voter was physically unable to mark them, that the voter directed another individual to mark them; and
- (3) if the voter was not previously registered, the voter has provided proof of residence as required by section 201.061, subdivision 3.

EFFECTIVE DATE. This section is effective for elections for which the absentee ballot period begins on or after January 1, 2025.

Sec. 28. Minnesota Statutes 2023 Supplement, section 204B.09, subdivision 3, is amended to read:

Subd. 3. **Write-in candidates.** (a) A candidate for county, state, or federal office who wants write-in votes for the candidate to be counted must file a written request with the filing office for the office sought not more than 84 days before the primary and no later than the seventh day before the general election. The filing officer shall provide copies of the form to make the request. The filing officer shall not accept a written request later than 5:00 p.m. on the last day for filing a written request.

(b) The governing body of a statutory or home rule charter city may adopt a resolution governing the counting of write-in votes for local elective office. The resolution may:

(1) require the candidate to file a written request with the chief election official no later than the seventh day before the city election if the candidate wants to have the candidate's write-in votes individually recorded; or

(2) require that write-in votes for an individual candidate only be individually recorded if the total number of write-in votes for that office is equal to or greater than the fewest number of non-write-in votes for a ballot candidate.

If the governing body of the statutory or home rule charter city adopts a resolution authorized by this paragraph, the resolution must be adopted and the city clerk must notify the county auditor before the first day of filing for office. A resolution adopted under this paragraph remains in effect until a subsequent resolution on the same subject is adopted by the governing body of the statutory or home rule charter city.

(c) The governing body of a township, school board, hospital district, park district, soil and water district, or other ancillary elected district may adopt a resolution governing the counting of write-in votes for local elective office. The resolution may require that write-in votes for an individual candidate only be individually recorded if the total number of write-in votes for that office is equal to or greater than the fewest number of non-write-in votes for a ballot candidate. If a governing body adopts a resolution authorized by this paragraph, the resolution must be adopted and the clerk must notify the county auditor before the first day of filing for office. A resolution adopted under this paragraph remains in effect until a subsequent resolution on the same subject is adopted by the governing body.

(d) A candidate for president of the United States who files a request under this subdivision must include the name of a candidate for vice president of the United States. The request must also include the name of at least one candidate for presidential elector. The total number of names of candidates for presidential elector on the request may not exceed the total number of electoral votes to be cast by Minnesota in the presidential election.

(e) A candidate for governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for lieutenant governor. A candidate for

lieutenant governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for governor.

Sec. 29. Minnesota Statutes 2023 Supplement, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. **Authority; location.** (a) By December 31 of each year, the governing body of each municipality and of each county with precincts in unorganized territory must designate by ordinance or resolution any changes to a polling place location. A polling place must be maintained ~~for the following calendar year~~ unless changed in accordance with this paragraph, or:

(1) ~~by ordinance or resolution by December 31 of the previous year;~~

(~~2~~) pursuant to section 204B.175;

(~~3~~) (2) because a polling place has become unavailable;

(~~4~~) (3) because a township designates one location for all state, county, and federal elections and one location for all township only elections; and

(~~5~~) (4) pursuant to section 204B.14, subdivision 3.

(b) Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a city or in a school district located in whole or in part in the metropolitan area defined by section 200.02, subdivision 24, shall be located within the boundaries of the precinct or within one mile of one of those boundaries unless a single polling place is designated for a city pursuant to section 204B.14, subdivision 2, or a school district pursuant to section 205A.11. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within a town or within a school district located outside the metropolitan area defined by section 200.02, subdivision 24, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

Sec. 30. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 1, is amended to read:

Subdivision 1. **Duty.** The secretary of state or county auditor must contract with a translator certified by the American Translators Association to develop voting instructions and sample ballots in languages other than English, to be made available in polling places during elections as required by this section. At a minimum, the secretary of state must prepare voting instructions and make the instructions available in polling places in the three most commonly spoken non-English languages in the state as determined by the state demographer for the previous calendar year. For state elections, the secretary of state must prepare and provide example ballots to county auditors and post voting instructions in print, electronic, and audio-visual formats, on the secretary of state's website in at least the three most commonly spoken non-English languages in the state as determined by the state demographer for the previous calendar year.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 31. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 2, is amended to read:

Subd. 2. **Designation of language minority districts.** ~~No later than 90 days before an election~~ By January 1 of each year, the secretary of state or county auditor, in consultation with the state demographer, must determine the percentage of residents in each census tract who are members of a language minority and who lack sufficient skills in English to vote without assistance. Language minority districts will be designated if three percent or more of the population in a corresponding census tract speak English "less than very well" according to the most recent census data. The secretary of state must maintain the list of designated language minority districts on its website. The state demographer must consider the identified margin of error in the census data when identifying census tracts. Designations made in January apply to elections for which absentee balloting begins on or after January 1 of each year and continue through the end of the calendar year.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 32. Minnesota Statutes 2023 Supplement, section 204B.295, subdivision 3, is amended to read:

Subd. 3. **Translation required; interpreter required.** (a) If the number of residents determined under subdivision 2 equals three percent or more of a census tract, or if interested citizens or organizations provide information that gives the secretary of state or county auditor sufficient reason to believe a need exists, at least two copies of the translated voting instructions and sample ballots must be provided to each precinct in that district during any regular or special state election conducted in that district. If more than one language is represented in three percent or more of residents as determined in subdivision 2, translated materials must be provided in, at minimum, the highest determined language and any language representing three percent or more of a census tract.

(b) If the number of residents determined under subdivision 2 equals 20 percent or more of the population of a census tract, or if interested citizens or organizations provide information that gives the secretary of state or county auditor sufficient reason to believe a need exists, at least four copies of the translated voting instructions and sample ballots must be provided to each precinct in that district during any regular or special state election conducted in that district. If more than one language is represented in the 20 or more percent of residents as determined in subdivision 2, translated materials must be provided in, at minimum, the highest determined language and any language representing three percent or more of a census tract. In these precincts, the county auditor or municipal clerk must appoint at least one interpreter to translate in a specified language if ten or more registered voters in the precinct file a request for interpretive services for that language with the secretary of state or county auditor at least 30 days prior to the date of the election. This interpreter must wear a name tag or other badge indicating the interpreter's language certification. For purposes of section 204C.06 and any other applicable law, an interpreter appointed under this section is considered an election official and may be present in a polling place for the purpose of conducting duties assigned by the county auditor or municipal clerk.

(c) The county auditor must maintain a list of the designated language minority districts on its website, including the precinct name, languages that materials will be provided in, and, if applicable, where interpreters will be provided and the language they speak. This list must be posted no later

than 90 days after receiving language minority district designations under subdivision 2 and must be updated as it is determined that materials or interpreters will be provided for additional districts.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 33. Minnesota Statutes 2023 Supplement, section 204B.295, is amended by adding a subdivision to read:

Subd. 5. **Sample ballot format requirements.** For the purposes of this section, sample ballots must accurately reflect the offices, candidates, and rotation sequence on the ballots used in that polling place. Sample ballots may deviate from other ballot formatting requirements to the extent required to accommodate the translated content.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 34. Minnesota Statutes 2022, section 204C.06, subdivision 1, is amended to read:

Subdivision 1. **Persons allowed near polling place.** An individual shall be allowed to go to and from the polling place for the purpose of voting without unlawful interference. No one except an election official or an individual who is waiting to register or to vote or an individual who is conducting exit polling shall stand within 100 feet of the building in which a polling place is located. ~~"Exit polling" is defined as approaching voters in a predetermined pattern as they leave the polling place after they have voted and asking voters to fill out an anonymous, written questionnaire.~~

Sec. 35. Minnesota Statutes 2022, section 204C.06, is amended by adding a subdivision to read:

Subd. 1a. **Exit polling.** (a) "Exit polling" is defined as approaching voters in a predetermined pattern as they leave the polling place after they have voted and asking voters to fill out an anonymous, written questionnaire.

(b) An individual conducting exit polling must present photo identification to the head judge upon arrival at the polling place, along with a letter or credential from the news media.

(c) A person must not conduct exit polling in a manner that unlawfully interferes with a person going to or from the polling place or allows any person to view another person's responses to the poll.

Sec. 36. Minnesota Statutes 2022, section 204C.19, subdivision 3, is amended to read:

Subd. 3. **Premature disclosure of count results.** No count results from any precinct shall be disclosed by any election judge or other individual until all count results from that precinct are available, nor shall the public media disclose any count results from any precinct before the time when voting is scheduled to end in the state. Count results from absentee ballots received by the county after 3:00 p.m. on election day may be added to the total count results after the initial results reporting of the precinct. If the precinct results do not include all absentee ballots, the county must report to the secretary of state and on the county's website the number of absentee ballots remaining to be processed. After processing the remaining ballots, the county must post on the county's website how many of the remaining ballots were accepted and added to the totals and how many were rejected and therefore not counted.

Sec. 37. Minnesota Statutes 2022, section 204C.20, subdivision 1, is amended to read:

Subdivision 1. **Determination of proper number.** The election judges shall determine the number of ballots to be counted by ~~adding the number of return envelopes from accepted absentee ballots to~~ tallying the number of signed voter's certificates, or to the number of names entered in the election register. The election judges shall then remove all the ballots from the box. Without considering how the ballots are marked, the election judges shall ascertain that each ballot is separate and shall count them to determine whether the number of ballots in the box corresponds with the number of ballots to be counted.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 38. Minnesota Statutes 2022, section 204C.20, is amended by adding a subdivision to read:

Subd. 5. **Precincts with ballot tabulators.** In precincts using ballot tabulators, once the final count of ballots agrees with the number of ballots to be counted, election judges must immediately prepare the summary statement in accordance with section 204C.24 and seal the ballots in accordance with section 204C.25 for return to the county auditor.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 39. Minnesota Statutes 2023 Supplement, section 204C.24, subdivision 1, is amended to read:

Subdivision 1. **Information requirements.** Precinct summary statements shall be submitted by the election judges in every precinct. For all elections, the election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:

(1) the number of ballots delivered to the precinct as adjusted by the actual count made by the election judges, the number of unofficial ballots made, and the number of absentee ballots delivered to the precinct;

(2) the number of votes each candidate received or the number of yes and no votes on each question, the number of undervotes, the number of overvotes, and the number of defective ballots with respect to each office or question;

(3) the number of spoiled ballots, the number of duplicate ballots made, the number of absentee ballots rejected, and the number of unused ballots, presuming that the total count provided on each package of unopened prepackaged ballots is correct;

(4) the number of voted ballots indicating only a voter's choices as provided by section 206.80, paragraph (b), clause (2), item (ii), in precincts that use an assistive voting device that produces this type of ballot;

(5) the number of individuals who voted at the election in the precinct which must equal the total number of ballots cast in the precinct, as required by sections 204C.20 and 206.86, subdivision 1;

(6) the number of voters registering on election day in that precinct;

(7) the signatures of the election judges who counted the ballots certifying that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question;

(8) the number of election judges that worked in that precinct on election day; and

(9) the number of voting booths used in that precinct on election day.

At least two copies of the summary statement must be prepared for elections not held on the same day as the state elections.

Sec. 40. Minnesota Statutes 2022, section 204C.33, subdivision 1, is amended to read:

Subdivision 1. **County canvass.** The county canvassing board shall meet at the county auditor's office between the third and ~~tenth~~ eight days following the state general election. After taking the oath of office, the board shall promptly and publicly canvass the general election returns delivered to the county auditor. Upon completion of the canvass, the board shall promptly prepare and file with the county auditor a report which states:

(a) the number of individuals voting at the election in the county and in each precinct;

(b) the number of individuals registering to vote on election day and the number of individuals registered before election day in each precinct;

(c) the names of the candidates for each office and the number of votes received by each candidate in the county and in each precinct;

(d) the number of votes counted for and against a proposed change of county lines or county seat; and

(e) the number of votes counted for and against a constitutional amendment or other question in the county and in each precinct.

The result of write-in votes cast on the general election ballots must be compiled by the county auditor before the county canvass, except that write-in votes for a candidate for federal, state, or county office must not be counted unless the candidate has timely filed a request under section 204B.09, subdivision 3. The county auditor shall arrange for each municipality to provide an adequate number of election judges to perform this duty or the county auditor may appoint additional election judges for this purpose. The county auditor may open the envelopes or containers in which the voted ballots have been sealed in order to count and record the write-in votes and must reseal the voted ballots at the conclusion of this process. The county auditor must prepare a separate report of votes received by precinct for write-in candidates for federal, state, and county offices who have requested under section 204B.09 that votes for those candidates be tallied.

Upon completion of the canvass, the county canvassing board shall declare the candidate duly elected who received the highest number of votes for each county and state office voted for only within the county. The county auditor shall transmit a certified copy of the county canvassing board

report for state and federal offices to the secretary of state by messenger, express mail, or similar service immediately upon conclusion of the county canvass.

Sec. 41. Minnesota Statutes 2023 Supplement, section 204C.33, subdivision 3, is amended to read:

Subd. 3. **State canvass.** The State Canvassing Board shall meet at a public meeting space located in the Capitol complex area on the ~~third Tuesday~~ 16th day following the state general election to canvass the certified copies of the county canvassing board reports received from the county auditors and shall prepare a report that states:

- (1) the number of individuals voting in the state and in each county;
- (2) the number of votes received by each of the candidates, specifying the counties in which they were cast; and
- (3) the number of votes counted for and against each constitutional amendment, specifying the counties in which they were cast.

If the 16th day falls on a state holiday, the canvassing board shall meet on the next business day.

All members of the State Canvassing Board shall sign the report and certify its correctness. Within three days after completing the canvass, the State Canvassing Board shall declare the result and declare the candidates duly elected who received the highest number of votes for each federal office and for each state office voted on in more than one county.

Sec. 42. Minnesota Statutes 2022, section 204C.35, subdivision 1, is amended to read:

Subdivision 1. **Publicly funded recounts.** (a) In a state primary when the difference between the votes cast for the candidates for nomination to:

- (1) a state legislative office is less than one-half of one percent of the total number of votes counted for that nomination or is ten votes or less and the total number of votes cast for the nomination is 400 votes or less; or
- (2) a statewide federal office, state constitutional office, statewide judicial office, congressional office, or district judicial office is less than one-quarter of one percent of the total number of votes counted for that nomination or is ten votes or less and the total number of votes cast for the nomination is 400 votes or less;

and the difference determines the nomination, the canvassing board with responsibility for declaring the results for that office shall manually recount the vote upon receiving a written request from the candidate whose nomination is in question.

Immediately following the meeting of the board that has responsibility for canvassing the results of the nomination, the filing officer must notify the candidate that the candidate has the option to request a recount of the votes at no cost to the candidate. This written request must be received by the filing officer no later than 5:00 p.m. on the second day after the canvass of the primary for which the recount is being sought.

(b) In a state general election when the difference between the votes of a candidate who would otherwise be declared elected to:

(1) a state legislative office is less than one-half of one percent of the total number of votes counted for that office or is ten votes or less and the total number of votes cast for the office is 400 votes or less; or

(2) a statewide federal office, state constitutional office, statewide judicial office, congressional office, or district judicial office and the votes of any other candidate for that office is less than one-quarter of one percent of the total number of votes counted for that office or is ten votes or less if the total number of votes cast for the office is 400 votes or less,

the canvassing board shall manually recount the votes upon receiving a written request from the candidate whose election is in question.

Immediately following the meeting of the board that has responsibility for canvassing the results of the general election, the filing officer must notify the candidate that the candidate has the option to request a recount of the votes at no cost to the candidate. ~~This~~ Except as provided in subdivision 2b, the written request must be received by the filing officer no later than 5:00 p.m. on the second day after the canvass of the election for which the recount is being sought.

(c) A recount must not delay any other part of the canvass. The results of the recount must be certified by the canvassing board as soon as possible.

(d) Time for notice of a contest for an office which is recounted pursuant to this section shall begin to run upon certification of the results of the recount by the canvassing board.

Sec. 43. Minnesota Statutes 2022, section 204C.35, subdivision 2, is amended to read:

Subd. 2. **Discretionary candidate recounts.** (a) A losing candidate whose name was on the ballot for nomination or election to a statewide federal office, state constitutional office, statewide judicial office, congressional office, state legislative office, or district judicial office may request a recount in a manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by this section. The votes shall be manually recounted as provided in this section if the candidate files a request during the time for filing notice of contest of the primary or election for which a recount is sought.

(b) The requesting candidate shall file with the filing officer a bond, cash, or surety in an amount set by the filing officer for the payment of the recount expenses. The requesting candidate is responsible for the following expenses: the compensation of the secretary of state, or designees, and any election judge, municipal clerk, county auditor, administrator, or other personnel who participate in the recount; necessary supplies and travel related to the recount; the compensation of the appropriate canvassing board and costs of preparing for the canvass of recount results; and any attorney fees incurred in connection with the recount by the governing body responsible for the recount.

(c) A discretionary recount of a primary must not delay delivery of the notice of nomination to the winning candidate under section 204C.32.

(d) The requesting candidate may provide the filing officer with a list of up to three precincts that are to be recounted first and may waive the balance of the recount after these precincts have been counted. If the candidate provides a list, the recount official must determine the expenses for those precincts in the manner provided by paragraph (b).

(e) The results of the recount must be certified by the canvassing board as soon as possible.

(f) If the winner of the race is changed by the optional recount, the cost of the recount must be paid by the jurisdiction conducting the recount.

(g) If a result of the vote counting in the manual recount is different from the result of the vote counting reported on election day by a margin greater than ~~the standard for acceptable performance of voting systems provided in section 206.89, subdivision 4,~~ two votes and greater than one-quarter of one percent of the number of ballots counted, the cost of the recount must be paid by the jurisdiction conducting the recount.

Sec. 44. Minnesota Statutes 2022, section 204C.35, is amended by adding a subdivision to read:

Subd. 2b. **Recount for presidential electors.** Any request for recount for the election of presidential electors, whether publicly funded or discretionary, must be made by 5 p.m. on the day after the canvass is completed. Any recount of votes under this section for the election of presidential electors must be completed and certified by the canvassing board no later than six days after the recount is requested.

Sec. 45. Minnesota Statutes 2022, section 204C.36, subdivision 2, is amended to read:

Subd. 2. Discretionary candidate recounts. (a) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount in the manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by subdivision 1, paragraphs (a) to (e). The votes shall be manually recounted as provided in this section if the requesting candidate files with the county auditor, municipal clerk, or school district clerk a bond, cash, or surety in an amount set by the governing body of the jurisdiction or the school board of the school district for the payment of the recount expenses.

(b) The requesting candidate may provide the filing officer with a list of up to three precincts that are to be recounted first and may waive the balance of the recount after these precincts have been counted. If the candidate provides a list, the recount official must determine the expenses for those precincts in the manner provided by paragraph (b).

(c) A discretionary recount of a primary must not delay delivery of the notice of nomination to the winning candidate under section 204C.32.

(d) The results of the recount must be certified by the canvassing board as soon as possible.

(e) If the winner of the race is changed by the optional recount, the cost of the recount must be paid by the jurisdiction conducting the recount.

(f) If a result of the vote counting in the manual recount is different from the result of the vote counting reported on election day by a margin greater than ~~the standard for acceptable performance~~

~~of voting systems provided in section 206.89, subdivision 4~~ two votes and greater than one-quarter of one percent of the number of ballots recounted, the cost of the recount must be paid by the jurisdiction conducting the recount.

Sec. 46. Minnesota Statutes 2022, section 204C.36, subdivision 3, is amended to read:

Subd. 3. **Discretionary ballot question recounts.** ~~A recount may be conducted for a ballot question when the difference between the votes for and the votes against the question is less than or equal to the difference provided in subdivision 1.~~ A recount for a ballot question may be requested by any person eligible to vote on the ballot question. A written request for a recount must be filed with the filing officer of the county, municipality, or school district placing the question on the ballot and must be accompanied by a petition containing the signatures of 25 voters eligible to vote on the question. Upon receipt of a written request when the difference between the votes for ~~and the votes against~~ the question and the number required for passage is less than or equal to the difference provided in subdivision 1, the county auditor shall recount the votes for a county question at the expense of the county, the governing body of the municipality shall recount the votes for a municipal question at the expense of the municipality, and the school board of the school district shall recount the votes for a school district question at the expense of the school district. If the difference between the votes for ~~and the votes against~~ the question and the number required for passage is greater than the difference provided in subdivision 1, the person requesting the recount shall also file with the filing officer of the county, municipality, or school district a bond, cash, or surety in an amount set by the appropriate governing body for the payment of recount expenses. The written request, petition, and any bond, cash, or surety required must be filed during the time for notice of contest for the election for which the recount is requested.

Sec. 47. Minnesota Statutes 2023 Supplement, section 205.16, subdivision 2, is amended to read:

Subd. 2. **Sample ballot, publication.** For every municipal election not held in conjunction with a statewide election, the municipal clerk must, at least two weeks before the election, publish a notice to voters pursuant to section 204D.16 in the official newspaper of the municipality, except that the governing body of a fourth class city or a town not located within a metropolitan county as defined in section 473.121 may dispense with publication.

Sec. 48. Minnesota Statutes 2022, section 205.16, subdivision 4, is amended to read:

Subd. 4. **Notice to auditor.** At least ~~74~~ 84 days before every municipal election, the municipal clerk shall provide a written notice to the county auditor, including the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. At least ~~74~~ 84 days before every municipal election, the municipal clerk must provide written notice to the county auditor of any special election canceled under section 205.10, subdivision 6.

Sec. 49. Minnesota Statutes 2022, section 205.16, subdivision 5, is amended to read:

Subd. 5. **Notice to secretary of state.** At least ~~74~~ 84 days before every municipal election for which a notice is provided to the county auditor under subdivision 4, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state.

Sec. 50. Minnesota Statutes 2022, section 205A.05, subdivision 3, is amended to read:

Subd. 3. **Cancellation.** A special election ordered by the school board on its own motion under subdivision 1 may be canceled by motion of the school board, but not less than 74 84 days before ~~an any election held in conjunction with a regularly scheduled election for federal, state, county, city, or school board office or a special election for federal office, or 46 days before any other election.~~

Sec. 51. Minnesota Statutes 2022, section 205A.07, subdivision 3, is amended to read:

Subd. 3. **Notice to auditor.** At least 74 84 days before every school district election, the school district clerk shall provide a written notice to the county auditor of each county in which the school district is located. The notice must include the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. For the purposes of meeting the timelines of this section, in a bond election, a notice, including a proposed question, may be provided to the county auditor before receipt of a review and comment from the commissioner of education and before actual initiation of the election. At least 74 84 days before every school district election, the school district clerk must provide written notice to the county auditor of any special election canceled under section 205A.05, subdivision 3.

Sec. 52. Minnesota Statutes 2022, section 205A.07, subdivision 3b, is amended to read:

Subd. 3b. **Notice to secretary of state.** At least 74 84 days before every school district election for which a notice is provided to the county auditor under subdivision 3, the county auditor shall provide a notice of the election to the secretary of state, in a manner and including information prescribed by the secretary of state.

Sec. 53. Minnesota Statutes 2022, section 205A.11, subdivision 2, is amended to read:

Subd. 2. **Combined polling place.** (a) When no other election is being held in a school district, the school board may designate combined polling places at which the voters in those precincts may vote in the school district election.

(b) By December 31 of each year, the school board must designate, by resolution, any changes to combined polling places. The combined polling places designated in the resolution are the polling places ~~for the following calendar year,~~ unless a change is made in accordance with this paragraph or:

(1) pursuant to section 204B.175; or

(2) because a polling place has become unavailable.

(c) If the school board designates combined polling places pursuant to this subdivision, polling places must be designated throughout the district, taking into account both geographical distribution and population distribution. A combined polling place must be at a location designated for use as a polling place by a county or municipality.

(d) In school districts that have organized into separate board member election districts under section 205A.12, a combined polling place for a school general election must be arranged so that it does not include more than one board member election district.

Sec. 54. Minnesota Statutes 2023 Supplement, section 206.61, subdivision 1, is amended to read:

Subdivision 1. **Official responsible for providing ballots.** (a) The official charged with providing paper ballots when they are used shall provide all ballot cards, sample ballots, precinct summary statements, and other necessary supplies needed for electronic voting systems, except as otherwise provided by this section.

(b) At general elections and primaries the county auditor of each county in which an electronic voting system is used shall provide all ballot cards and other necessary printed forms and supplies needed for the electronic voting system, including all forms needed for voting on candidates and questions, the ballots for which are required by the election laws to be provided by the state when paper ballots are used.

(c) In precincts using a ballot format as provided by section 206.80, paragraph (b), clause (2), item (ii), voters must be provided the option of voting with a regularly printed optical scan ballot or paper ballot in precincts that hand count ballots.

Sec. 55. Minnesota Statutes 2022, section 206.89, subdivision 2, is amended to read:

Subd. 2. **Selection for review; notice.** At the canvass of the state primary, the county canvassing board in each county must set the date, time, and place for the postelection review of the state general election to be held under this section. The postelection review must not begin before the ~~14th~~ ninth day after the state general election and must be complete no later than the ~~18th~~ 14th day after the state general election.

At the canvass of the state general election, the county canvassing boards must select the precincts to be reviewed by lot. The ballots to be reviewed for a precinct include both the ballots counted at the polling place for that precinct and the absentee ballots counted centrally by a ballot board for that precinct. The county canvassing board of a county with fewer than 50,000 registered voters must conduct a postelection review of a total of at least two precincts. The county canvassing board of a county with between 50,000 and 100,000 registered voters must conduct a review of a total of at least three precincts. The county canvassing board of a county with over 100,000 registered voters must conduct a review of a total of at least four precincts, or three percent of the total number of precincts in the county, whichever is greater. At least one precinct selected in each county must have had more than 150 votes cast at the general election.

The county auditor must notify the secretary of state of the precincts that have been chosen for review and the time and place the postelection review for that county will be conducted, as soon as the decisions are made. If the selection of precincts has not resulted in the selection of at least four precincts in each congressional district, the secretary of state may require counties to select by lot additional precincts to meet the congressional district requirement. The secretary of state must post this information on the office website.

Sec. 56. Minnesota Statutes 2022, section 206.89, subdivision 3, is amended to read:

Subd. 3. **Scope and conduct of review.** The county canvassing board shall appoint the postelection review official as defined in subdivision 1. The postelection review must be conducted of the votes cast for president or governor; United States senator; and United States representative. The postelection review official may conduct postelection review of the votes cast for additional offices.

The postelection review must be conducted in public at the location where the voted ballots have been securely stored after the state general election or at another location chosen by the county canvassing board. The postelection review official for each precinct selected must conduct the postelection review and may be assisted by election judges designated by the postelection review official for this purpose. The party balance requirement of section 204B.19 applies to election judges designated for the review. The postelection review must consist of a manual count of the ballots used in the precincts selected and must be performed in the manner provided by section 204C.21. The postelection review must be conducted in the manner provided for recounts under section 204C.361 to the extent practicable. The review must be completed no later than ~~two days~~ one day before the meeting of the state canvassing board to certify the results of the state general election.

Sec. 57. Minnesota Statutes 2022, section 206.89, subdivision 5, is amended to read:

Subd. 5. **Additional review.** (a) If the postelection review in one of the reviewed precincts reveals a difference greater than the thresholds specified in subdivision 4, the postelection review official must, within ~~two days~~ one day, conduct an additional review of the races indicated in subdivision 3 in at least three precincts in the same jurisdiction where the discrepancy was discovered. If all precincts in that jurisdiction have been reviewed, the county auditor must immediately publicly select by lot at least three additional precincts for review. The postelection review official must complete the additional review within ~~two days~~ one day after the precincts are selected and report the results immediately to the county auditor. If the second review in any of the reviewed precincts also indicates a difference in the vote totals compiled by the voting system that is greater than the thresholds specified in subdivision 4, the county auditor must conduct a review of the ballots from all the remaining precincts in the county for the races indicated in subdivision 3. This review must be completed and the results must be reported to the secretary of state within ~~one week~~ six days after the second review was completed.

(b) If the results from the countywide reviews from one or more counties comprising in the aggregate more than ten percent of the total number of persons voting in the election clearly indicate that an error in vote counting has occurred, the secretary of state must notify the postelection review official of each county in the district that they must conduct manual recounts of all the ballots in the district for the affected office using the procedure outlined in section 204C.35. The recount must be completed and the results reported to the appropriate canvassing board within ~~two weeks~~ one week after the postelection review official received notice from the secretary of state.

Sec. 58. Minnesota Statutes 2022, section 206.89, subdivision 6, is amended to read:

Subd. 6. **Report of results.** Upon completion of the postelection review, the postelection review official must immediately report the results to the county auditor. The county auditor must then immediately submit the results of the postelection review electronically or in writing to the secretary of state not later than ~~two days~~ one day before the State Canvassing Board meets to canvass the

state general election. The secretary of state shall report the results of the postelection review at the meeting of the State Canvassing Board to canvass the state general election.

Sec. 59. Minnesota Statutes 2022, section 208.06, is amended to read:

208.06 ELECTORS AND ALTERNATES TO MEET AT STATE CAPITOL.

The presidential electors and alternate presidential electors, before 12:00 M. on the day before that fixed by Congress for the electors to vote for president and vice president of the United States, shall notify the governor that they are at the State Capitol and ready at the proper time to fulfill their duties as electors. The governor or the governor's designee shall deliver to the electors present a certificate of the names of all the electors. The electors shall meet at 12:00 p.m. in the ~~executive chamber of the State Capitol and~~ The electors shall perform all the duties imposed upon them as electors by the Constitution and laws of the United States and this state in the manner provided in section 208.46.

Sec. 60. Minnesota Statutes 2022, section 208.44, is amended to read:

208.44 CERTIFICATION OF ELECTORS.

In submitting this state's certificate of ascertainment as required by United States Code, title 3, section 6 5, the governor shall certify this state's electors and state in the certificate that:

(1) the electors will serve as electors unless a vacancy occurs in the office of elector before the end of the meeting at which elector votes are cast, in which case a substitute elector will fill the vacancy; and

(2) if a substitute elector is appointed to fill a vacancy, the governor will submit an amended certificate of ascertainment stating the names on the final list of this state's electors.

Sec. 61. Minnesota Statutes 2022, section 208.47, is amended to read:

208.47 ELECTOR REPLACEMENT; ASSOCIATED CERTIFICATES.

(a) After the vote of this state's electors is completed, if the final list of electors differs from any list that the governor previously included on a certificate of ascertainment prepared and transmitted under United States Code, title 3, section 6 5, the secretary of state immediately shall prepare an amended certificate of ascertainment and transmit it to the governor for the governor's signature.

(b) The governor immediately shall deliver the signed amended certificate of ascertainment to the secretary of state and a signed duplicate original of the amended certificate of ascertainment to all individuals entitled to receive this state's certificate of ascertainment, indicating that the amended certificate of ascertainment is to be substituted for the certificate of ascertainment previously submitted.

(c) The secretary of state shall prepare a certificate of vote. The electors on the final list shall sign the certificate. The secretary of state shall process and transmit the signed certificate with the amended certificate of ascertainment under United States Code, title 3, sections 9, 10, and 11.

Sec. 62. Minnesota Statutes 2022, section 209.01, subdivision 2, is amended to read:

Subd. 2. **Statewide office.** For purposes of this chapter, "statewide office" means the office of governor, lieutenant governor, attorney general, state auditor, secretary of state, chief justice or associate justice of the supreme court, judge of the court of appeals, or United States senator, or ~~presidential elector or alternate.~~

Sec. 63. [209A.01] DEFINITIONS.

The definitions in chapter 200 apply to this chapter.

Sec. 64. [209A.02] CONTESTANT; GROUNDS.

Any eligible voter, including a candidate, wishing to contest the election of the presidential elector or alternate in the courts of this state whether over an irregularity in the conduct of an election or canvass of votes, over the question of who received the largest number of votes legally cast, on the grounds of deliberate, serious, and material violations of Minnesota election law, or on any other ground must do so according to this chapter.

Sec. 65. [209A.03] NOTICE OF CONTEST.

Subdivision 1. **Manner; time; contents.** Service of a notice of contest must be made in the same manner as the service of summons in civil actions. The notice of contest must specify the grounds on which the contest will be made. The contestant shall serve notice of the contest on the parties enumerated in this section. Notice must be served and filed on or before 5:00 p.m. one day after the canvass is completed, except that if the election is being recounted pursuant to section 204C.35, the time for notice of a contest shall begin to run upon certification of the results of the recount by the canvassing board.

Subd. 2. **Notice filed with court.** The contestant shall file the notice of contest under this section with the supreme court.

Subd. 3. **Notice served on parties.** The notice of contest must be served on all candidates for the office and on any other party as required by the court. A copy must also be furnished to the governor and secretary of state. If personal or substituted service on any party cannot be made, an affidavit of the attempt by the person attempting to make service and the affidavit of the person who sent a copy of the notice to the contestee by certified mail are sufficient to confer jurisdiction upon the court to decide the contest.

Sec. 66. [209A.04] CONTESTEE'S ANSWER.

Subdivision 1. **Contest of vote count.** If a notice of contest questions only which of the parties to the contest received the highest number of votes legally cast at the election, the contestee need not file an answer, unless the contestee desires to raise issues not specified in the notice of contest.

Subd. 2. **Other contests.** For all other election contests the contestee's answer to the notice of contest must be filed and served on all candidates for the office and on any other party as required by the court. A copy must also be furnished to the governor and secretary of state. The answer must so far as practicable conform to the rules for pleading in civil actions. Service and filing of the answer must be made two days after service of the notice of contest. The contestee's answer must

be served in the same manner as the answer in a civil action or in the manner the court may order. Any other notices must be served in the manner and within the times the court may order.

Sec. 67. [209A.05] VENUE.

The court for the election contest of presidential electors shall be the supreme court.

Sec. 68. [209A.06] GUARDING AND INSPECTING THE BALLOTS.

The provisions of sections 209.05 and 209.06 apply to election contests filed under this section. The chief justice of the supreme court shall appoint any inspectors required under this section.

Sec. 69. [209A.07] PLEADINGS; PROCEDURE.

The notice of contest and any answer are the pleadings in the case and may be amended in the discretion of the supreme court. The contest proceedings must be brought as soon as practicable. The court shall proceed in the manner provided for the trial of civil actions so far as practicable, but must issue its decision at least one day before the deadline to submit the certificate of ascertainment as required under the laws of the United States.

Sec. 70. [209A.08] RESULTS OF CONTEST.

Subdivision 1. **Generally.** When the court decides an election contest under this chapter, the court may invalidate and revoke any election certificate which has been issued to a presidential elector. If the contest involved an error in the counting of ballots, the official authorized to issue the certificate of election shall issue the certificate to the person entitled to it, but if a contestant succeeds in a contest where there is no question as to which of the candidates received the highest number of votes cast at the election, the contestant is not, by reason of the disqualification of the contestee, entitled to the certificate of election.

Subd. 2. **Defective ballots.** In a contested election, if the court decides that a serious and material defect in the ballots used changed the outcome of the election, the election must be declared invalid.

Subd. 3. **Costs of contest.** If the contestee succeeds, costs of the contest must be paid by the contestant. If the contestant succeeds, costs of the contest must be paid by the contestee, except that if the contestee loses because of an error in the counting of ballots or canvass of the returns or because of any other irregularity in the election procedure, costs must be paid, in the discretion of the judge, by the election jurisdictions responsible for errors which resulted in the reversal of the prior results of the election.

Sec. 71. Minnesota Statutes 2022, section 211A.01, subdivision 3, is amended to read:

Subd. 3. **Candidate.** "Candidate" means an individual who seeks nomination or election to a county, municipal, school district, or other political subdivision office. This definition does not include an individual seeking a judicial office. ~~For purposes of sections 211A.01 to 211A.05 and 211A.07, "candidate" also includes a candidate for the United States Senate or House of Representatives.~~

Sec. 72. Minnesota Statutes 2022, section 211A.01, is amended by adding a subdivision to read:

Subd. 4a. **Committee.** "Committee" means a group established by a candidate of two or more persons working together to support the election of the candidate to a political subdivision office. A committee may accept contributions and make disbursements on behalf of the candidate.

Sec. 73. Minnesota Statutes 2022, section 211A.01, subdivision 7, is amended to read:

Subd. 7. **Filing officer.** "Filing officer" means the officer authorized by law to accept affidavits of candidacy or nominating petitions for an office ~~or the officer authorized by law to place a ballot question on the ballot.~~

Sec. 74. Minnesota Statutes 2022, section 211A.01, subdivision 8, is amended to read:

Subd. 8. **Political purposes.** An act is done for "political purposes" if it is of a nature, done with the intent, or done in a way to influence or tend to influence, directly or indirectly, voting for a candidate at a primary or an election or if it is done because a person is about to vote, has voted, or has refrained from voting for a candidate at a primary or an election.

Sec. 75. Minnesota Statutes 2023 Supplement, section 211A.02, subdivision 1, is amended to read:

Subdivision 1. **When and where filed by committees or candidates.** (a) A committee or a candidate who receives contributions or makes disbursements of more than \$750 in a calendar year shall submit an initial report to the filing officer within 14 days after the candidate or committee receives or makes disbursements of more than \$750 and ~~shall~~ must continue to make the reports ~~listed in paragraph (b) required by this subdivision~~ until a final report is filed.

~~(b) The committee or~~ In a year in which a candidate must file a report by January 31 of each year following the year when the initial report was filed and in a year when receives contributions or makes disbursements of more than \$750 or the candidate's name or a ballot question appears on the ballot, the candidate or committee shall must file a report:

(1) ten days before the primary or special primary. This report is required if a primary is held in the jurisdiction, regardless of whether the candidate or issue is on the primary ballot or. If a primary is not conducted, the report is due ten days before the primary date specified in section 205.065;

(2) ten days before the general election or special election; and

(3) 30 days after a general or special election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the candidate reaches the spending threshold specified in paragraph (a). A candidate who did not file for office is not required to file reports required by this paragraph that are due after the end of the filing period. A candidate whose name will not be on the general election ballot is not required to file the reports required by clauses (2) and (3).

(c) Until a final report is filed, a candidate must file a report by January 31 of each year. Notwithstanding subdivision 2, clause (4), the report required by this subdivision must only include the information from the previous calendar year.

Sec. 76. Minnesota Statutes 2022, section 211A.02, subdivision 2, is amended to read:

Subd. 2. **Information required.** The report to be filed by a candidate or committee must include:

- (1) the name of the candidate ~~or ballot question~~ and office sought;
- (2) the printed name, address, telephone number, signature, and email address, if available, of the person responsible for filing the report;
- (3) the total cash on hand designated to be used for political purposes;
- (4) the total amount of contributions received and the total amount of disbursements for the period from the last previous report to five days before the current report is due;
- (5) the amount, date, and purpose for each disbursement if disbursements made to the same vendor exceed \$100 in the aggregate during the period covered by the report, the name and address for the vendor and the amount, date, and purpose for each disbursement; and
- (6) the name, address, and employer, or occupation if self-employed, of any individual or ~~committee~~ entity that during the ~~year~~ period covered by the report has made one or more contributions that in the aggregate exceed \$100, and the amount and date of each contribution. The filing officer must restrict public access to the address of any individual who has made a contribution that exceeds \$100 and who has filed with the filing officer a written statement signed by the individual that withholding the individual's address from the financial report is required for the safety of the individual or the individual's family.

Sec. 77. Minnesota Statutes 2022, section 211A.05, subdivision 1, is amended to read:

Subdivision 1. **Penalty.** A candidate who intentionally fails to file a report required by section 211A.02 or a certification required by this section is guilty of a misdemeanor. The treasurer of a committee ~~formed to promote or defeat a ballot question~~ who intentionally fails to file a report required by section 211A.02 or a certification required by this section is guilty of a misdemeanor. Each candidate or treasurer of a committee ~~formed to promote or defeat a ballot question~~ shall must certify to the filing officer that all reports required by section 211A.02 have been submitted to the filing officer or that the candidate or committee has not received contributions or made disbursements exceeding \$750 in the calendar year. The certification ~~shall~~ must be submitted to the filing officer no later than seven days after the general or special election. The secretary of state ~~shall~~ must prepare blanks for this certification. An officer who issues a certificate of election to a candidate who has not certified that all reports required by section 211A.02 have been filed is guilty of a misdemeanor.

Sec. 78. Minnesota Statutes 2022, section 211A.06, is amended to read:

211A.06 FAILURE TO KEEP ACCOUNT; PENALTY.

A candidate, treasurer, or other individual who receives money for a committee is guilty of a misdemeanor if the individual:

- (1) fails to keep a correct account as required by law;
- (2) mutilates, defaces, or destroys an account record; or

(3) in the case of a committee, refuses upon request to provide financial information to a candidate; and

(4) does any of these things with the intent to conceal receipts or disbursements, the purpose of receipts or disbursements, or the existence or amount of an unpaid debt or the identity of the person to whom it is owed.

Sec. 79. Minnesota Statutes 2022, section 211A.07, is amended to read:

211A.07 BILLS WHEN RENDERED AND PAID.

A person who has a bill, charge, or claim against a ~~candidate's~~ candidate or a committee ~~shall~~ must render it in writing to the candidate or committee within 60 days after the material or service is provided. A bill, charge, or claim that is not presented within 60 days after the material or service is provided must not be paid.

Sec. 80. Minnesota Statutes 2022, section 211A.12, is amended to read:

211A.12 CONTRIBUTION LIMITS.

(a) A candidate or ~~a candidate's~~ committee may not accept aggregate contributions made or delivered by an individual or an association, a political committee, political fund, or political party unit in excess of \$600 in an election year for the office sought and \$250 in other years; except that a candidate or a candidate's committee for an office whose territory has a population over 100,000 may not accept aggregate contributions made or delivered by an individual or an association, a political committee, political fund, or political party unit in excess of \$1,000 in an election year for the office sought and \$250 in other years.

(b) The following deliveries are not subject to the bundling limitation in this section:

(1) delivery of contributions collected by a member of the candidate's committee, such as a block worker or a volunteer who hosts a fundraising event, to the committee's treasurer; and

(2) a delivery made by an individual on behalf of the individual's spouse.

(c) Notwithstanding sections 211A.02, subdivision 3, and 410.21, this section supersedes any home rule charter.

(d) For purposes of this section, the terms "political committee," "political fund," and "political party unit" have the meanings given in section 10A.01.

Sec. 81. Minnesota Statutes 2022, section 211A.14, is amended to read:

211A.14 CONTRIBUTIONS AND SOLICITATIONS DURING LEGISLATIVE SESSION.

A legislator or state constitutional officer who is a candidate ~~for a county, city, or town office,~~ under this chapter, and the candidate's principal campaign committee, and any other political committee with the candidate's name or title may not solicit or accept a contribution from a political committee, political fund, or ~~registered~~ lobbyist during a regular session of the legislature. For

purposes of this section, the terms "political committee," "political fund," and "lobbyist" have the meanings given in section 10A.01.

Sec. 82. Minnesota Statutes 2023 Supplement, section 211B.076, subdivision 4, is amended to read:

Subd. 4. **Dissemination of personal information about an election official.** (a) A person may not knowingly and without consent make publicly available, including but not limited to through the Internet, personal information about an election official or an election official's family or household member if:

(1) the ~~dissemination~~ public availability of information poses an imminent and serious threat to the official's safety or the safety of an official's family or household member; and

(2) the person making the information publicly available knows or reasonably should know of any imminent and serious threat.

(b) As used in this subdivision, "personal information" means ~~the~~ a home telephone number, cell number, personal email address, name of the official's minor child, photographs of the official's minor child, ~~home address of the election official or a member of an election official's family,~~ directions to ~~that~~ a home, or photographs of ~~that~~ a home.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 83. Minnesota Statutes 2022, section 211B.17, subdivision 1, is amended to read:

Subdivision 1. **Forfeiture of nomination or office.** Except as provided in subdivision 2, if a candidate is found guilty of violating this chapter or section 609.771 or an offense was committed by another individual with the knowledge, consent, or connivance of the candidate, the court, after entering the adjudication of guilty, shall enter a supplemental judgment declaring that the candidate has forfeited the nomination or office. If the court enters the supplemental judgment, it shall transmit to the filing officer a transcript of the supplemental judgment, the nomination or office becomes vacant, and the vacancy must be filled as provided by law.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 84. Minnesota Statutes 2022, section 211B.18, is amended to read:

211B.18 DISQUALIFIED CANDIDATE NOT TO HOLD VARIOUS POSITIONS.

A candidate whose election to office has been set aside for a violation of this chapter or section 609.771 may not be appointed, during the period fixed by law as the term of the office, to fill a vacancy in that office. A candidate or other individual who is convicted of a violation of this chapter or section 609.771 may not be appointed, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy that may occur in the office. An appointment to an office made contrary to the provisions of this section is void.

A candidate or other individual who is convicted of a violation of this chapter or section 609.771 is not qualified, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy in an office for which the legislature may establish qualifications under article XII, section 3, of the Minnesota Constitution.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 85. **[241.062] COLLECTION OF INCARCERATED PERSON'S ADDRESS.**

(a) As part of an incarcerated person's intake process, the commissioner of corrections must make all reasonable efforts to ensure that the information listed in section 2.93, subdivision 3, clauses (1) to (5), is collected and recorded. The information must be collected in compliance with the format and guidelines developed pursuant to section 2.93, subdivision 5. An incarcerated person who was participating in the Safe at Home program established in chapter 5B, has safety concerns about providing a last residential address, or has safety concerns for people residing at that address may decline to provide an address.

(b) The incarcerated person's last residential address and the information listed in section 2.93, subdivision 3, clauses (1) to (5), collected on intake and maintained by the commissioner are private data on individuals as defined in section 13.02, subdivision 12.

(c) Beginning in 2030, the commissioner must provide the information described in this section electronically to the director of the Legislative Coordinating Commission as required in section 2.93.

Sec. 86. Minnesota Statutes 2023 Supplement, section 243.205, is amended by adding a subdivision to read:

Subd. 3a. **Form of notice.** The notice required by subdivision 2 must include all of the following information:

(1) the statement "Your right to vote has been restored.";

(2) a statement that says the person is eligible to vote if the person meets the eligibility requirements;

(3) a list of the eligibility requirements to vote;

(4) a statement that a voter registration application is attached to the notice and information on all the ways to register to vote;

(5) information on where to find a list of documents to be used to provide current proof of residence;

(6) the statement "If you violate the conditions of release, the commissioner may revoke your release after due process and reimprison you. If that occurs, your right to vote is lost again while you are in prison."; and

(7) information on where the person may find more information about voting rights.

Sec. 87. Minnesota Statutes 2022, section 375.08, is amended to read:

375.08 BOARD TO FILL VACANCIES IN COUNTY OFFICES.

(a) Except as provided in paragraph (b) or section 375.081, when a vacancy occurs in the office of an elected county auditor, county treasurer, county recorder, sheriff, county attorney, county surveyor, or coroner, the county board shall must fill it by appointment at a regular or special meeting. For that purpose it shall meet at the usual place of meeting, upon one day's notice from the chair or clerk, which shall be served personally upon each member in the same manner as a district court summons. The A person appointed shall to a vacancy pursuant to this paragraph must give the bond and take the oath required by law, and serve the remainder of the term, and until a successor qualifies.

(b) When a vacancy occurs in the office of sheriff or county attorney less than 84 days before the state primary in the year preceding the end of the term, the county board may fill the vacancy by appointment at a regular or special meeting. A person appointed to fill a vacancy pursuant to this paragraph serves only until the successor is elected. The person elected at the general election to the office for the ensuing term must take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.

(c) When a vacancy occurs in an office that has a chief deputy or first assistant, the chief deputy or first assistant may perform all the duties and functions of the office until it is filled by appointment by the county board.

Sec. 88. [375.081] VACANCY IN OFFICE OF SHERIFF OR COUNTY ATTORNEY; OPTIONAL SPECIAL ELECTION.

As an alternative to the appointment procedure provided in section 375.08, a vacancy in the office of sheriff or county attorney may be filled at a special election as provided in this section. The county board may, by resolution, call for a special election to be held on a date authorized by section 205.10, subdivision 3a. The person elected at the special election must take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and must serve the remainder of the unexpired term. This section does not apply to a vacancy that occurs less than 84 days before the state primary in the year preceding the end of the term.

Sec. 89. Minnesota Statutes 2022, section 447.32, subdivision 3, is amended to read:

Subd. 3. **Election notices.** At least two weeks before the first day to file affidavits of candidacy, the clerk of the district shall publish a notice stating the first and last day on which affidavits of candidacy may be filed, the places for filing the affidavits and the closing time of the last day for filing. The clerk shall post a similar notice in at least one conspicuous place in each city and town in the district at least ten days before the first day to file affidavits of candidacy.

At least ~~74~~ 84 days prior to every hospital district election, the hospital district clerk shall provide a written notice to the county auditor of each county in which the hospital district is located. The notice must include the date of the election, the offices to be voted on at the election, and the title and language for each ballot question to be voted on at the election. The county auditor shall immediately provide a notice to the secretary of state in a manner and including information prescribed by the secretary of state.

The notice of each election must be posted in at least one public and conspicuous place within each city and town included in the district at least two weeks before the election. It must be published in the official newspaper of the district or, if a paper has not been designated, in a legal newspaper having general circulation within the district, at least two weeks before the election. Failure to give notice does not invalidate the election of an officer of the district. A voter may contest a hospital district election in accordance with chapter 209. Chapter 209 applies to hospital district elections.

Sec. 90. [471.3422] WEBSITE DOMAIN REQUIREMENT FOR CERTAIN COUNTIES, CITIES, AND TOWNS.

(a) By June 1, 2026, every county and each municipality that administers elections shall use a .gov domain for the website address used by the county or municipality.

(b) If a municipality has applied for a .gov domain but has not fully transitioned to using a .gov domain by June 1, 2026, the municipality is not in violation of this section. Such a municipality is in violation of this section if the municipality has not fully transitioned to using a .gov domain by June 1, 2028.

Sec. 91. Minnesota Statutes 2022, section 609.5151, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(1) "family or household member" has the meaning given in section 518B.01, subdivision 2;

(2) "law enforcement official" means both peace officers as defined in section 626.84, subdivision 1, and persons employed by a law enforcement agency; and

(3) "personal information" means a home telephone number, cell number, personal email address, name of the official's minor child, photographs of the official's minor child, home address, directions to a home, or photographs of a home.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 92. Minnesota Statutes 2022, section 609.5151, subdivision 2, is amended to read:

Subd. 2. **Crime described.** (a) It is a misdemeanor for a person to knowingly and without consent make publicly available, including but not limited to through the Internet, personal information about a law enforcement official or an official's family or household member, if:

(1) ~~the dissemination~~ public availability of information poses an imminent and serious threat to the official's safety or the safety of an official's family or household member; and

(2) the person making the information publicly available knows or reasonably should know of the imminent and serious threat.

(b) A person is guilty of a gross misdemeanor if the person violates paragraph (a) and a law enforcement official or an official's family or household member suffers great bodily harm or death as a result of the violation.

(c) A person who is convicted of a second or subsequent violation of this section is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to crimes committed on or after that date.

Sec. 93. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Candidate" means an individual who seeks nomination or election to a federal, statewide, legislative, judicial, or local office including special districts, school districts, towns, home rule charter and statutory cities, and counties.

(c) "Deep fake" means any video recording, motion-picture film, sound recording, electronic image, or photograph, or any technological representation of speech or conduct substantially derivative thereof:

(1) that is so realistic that a reasonable person would:

(i) believe it depicts speech or conduct of an individual who did not in fact engage in such speech or conduct; or

(ii) have a fundamentally and materially different understanding of the substance or meaning of the content of the speech or conduct compared to the unaltered, original version; and

(2) the production of which was substantially dependent upon technical means, rather than the ability of another individual to physically or verbally impersonate such individual.

(d) "Depicted individual" means an individual in a deep fake who appears to be engaging in speech or conduct in which the individual did not engage.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 94. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 2, is amended to read:

Subd. 2. **Use of deep fake to influence an election; violation.** (a) A person who disseminates a deep fake or enters into a contract or other agreement to disseminate a deep fake is guilty of a crime and may be sentenced as provided in subdivision 3 if the person knows or reasonably should know that the item being disseminated is a deep fake and dissemination:

(1) takes place within 30 days before a political party nominating convention, presidential primary, state primary, local primary, special primary, or special election or 90 days before an a general election;

(2) is made without the consent of the depicted individual; and

(3) is made with the intent to injure a candidate or influence the result of an election.

(b) A website; social media platform; regularly published newspaper, magazine, or other periodical, including an Internet or electronic publication; a radio or television broadcasting station, including a cable or satellite television operator, programmer, or producer; or a streaming service is not in violation of this section if the entity's only role is to distribute political advertisements that are prohibited by this section.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 95. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 3, is amended to read:

Subd. 3. **Use of deep fake to influence an election; penalty.** (a) A person convicted of violating subdivision 2 may be sentenced as follows:

(1) if the person commits the violation within five years of one or more prior convictions under this section, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both;

(2) if the person commits the violation with the intent to cause violence or bodily harm, to imprisonment for not more than 364 days or to payment of a fine of not more than \$3,000, or both; or

(3) in other cases, to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both.

(b) In the case of a candidate convicted of violating subdivision 2, the court must enter a supplemental judgment declaring that the candidate has forfeited the nomination or office in accordance with section 211B.17.

(c) A candidate or other individual convicted of violating subdivision 2 is disqualified from being appointed to that office or any other office for which the legislature may establish qualifications under the Minnesota Constitution, article XII, section 3, in accordance with section 211B.18.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to crimes committed on or after that date.

Sec. 96. Minnesota Statutes 2023 Supplement, section 609.771, subdivision 4, is amended to read:

Subd. 4. **Injunctive relief.** A cause of action for injunctive or equitable relief may be maintained against any person who is reasonably believed to be about to violate or who is in the course of violating this section by:

(1) the attorney general;

(2) a county attorney or city attorney;

(3) the depicted individual; or

(4) a candidate for nomination or election to a public office who is injured or likely to be injured by dissemination.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to acts committed on or after that date.

Sec. 97. Minnesota Statutes 2023 Supplement, section 609.771, is amended by adding a subdivision to read:

Subd. 5. **Severability.** If any one or more provision, subdivision, sentence, clause, phrase, or word of this section or the application of it to any person or circumstance is found to be unconstitutional, it is declared to be severable and the balance of this section shall remain effective notwithstanding that unconstitutionality. The legislature intends that it would have passed this section, and each provision, subdivision, sentence, clause, phrase, or word, regardless of the fact that any one provision, subdivision, sentence, clause, phrase, or word is declared unconstitutional.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 98. **COLLECTION OF CURRENT INCARCERATED PERSON'S ADDRESS.**

Prior to April 1, 2030, the commissioner of corrections must make reasonable efforts to collect from or confirm with each incarcerated person the following information:

(1) the residential address of the person immediately prior to incarceration or, if the person resided in an area lacking a specific physical address immediately prior to incarceration, a description of the physical location where the person regularly stayed immediately prior to being incarcerated; and

(2) the following demographic information: the racial and ethnic information collected by the census and whether the person is over the age of 18.

This section only applies to an incarcerated person who was incarcerated prior to the date the commissioner started routinely collecting the information in clauses (1) and (2) as part of the intake process.

Sec. 99. **STATE AND LOCAL LOBBYING ACTIVITY; STUDY REQUIRED.**

The Campaign Finance and Public Disclosure Board must study and, if appropriate, make recommendations to the legislature on the definition of "lobbyist" for purposes of the Minnesota Statutes. The study and recommendations must focus primarily on whether the law does or should distinguish between activities that constitute lobbying of a state government official and activities that constitute lobbying of a local official. If the study determines that a distinction between these activities is appropriate, the board must recommend options for the legislature to consider in adopting that distinction by law. The board must submit a report describing the study, its results, and any associated recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over campaign finance and lobbyist registration policy no later than January 15, 2025.

Sec. 100. **TRANSITION TO NEW VOTER REGISTRATION APPLICATIONS.**

Notwithstanding the requirements of this act, a completed voter registration application submitted by a voter is not deficient for purposes of registering that voter if the application form was printed or provided to the voter prior to the effective date of any modification required by this act. Beginning on the effective date of a modification required by this act, an election official must not print or copy a blank voter registration application that does not include the required modification.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 101. **REVISOR INSTRUCTION.**

The revisor of statutes must title Minnesota Statutes, chapter 209A, "Election Contests - Presidential Elections."

Sec. 102. **REPEALER.**

(a) Minnesota Statutes 2022, sections 211A.01, subdivisions 2 and 4; 211A.02, subdivision 4; and 383B.031, are repealed.

(b) Minnesota Statutes 2023 Supplement, sections 10A.201, subdivision 11; and 243.205, subdivision 3, are repealed.

EFFECTIVE DATE. The repeal of Minnesota Statutes, section 10A.201, subdivision 11, is effective January 1, 2025, and applies to communications disseminated on or after that date.

Sec. 103. **EFFECTIVE DATE.**

Unless otherwise specified, this act is effective July 1, 2024."

Delete the title and insert:

"A bill for an act relating to elections; modifying various provisions related to election administration; modifying various provisions relating to campaign finance and lobbying; amending definitions; amending requirements related to voter registration; amending absentee voting laws; modifying the authority of the Campaign Finance and Public Disclosure Board to impose a civil penalty and late fees; amending electioneering communications laws; requiring the Campaign Finance and Public Disclosure Board to oversee campaign finance reporting requirements for political committees, political funds, and party units engaged in campaign activity for certain local elected offices and ballot questions for local governments; providing a separate process for presidential election contests; requiring the allocation and exclusion of certain incarcerated persons based on their last known address in Minnesota for purposes of redistricting; modifying requirements for filling vacancies; requiring local governments to use a .gov domain; modifying the deep fake election crime; expanding scope of doxing crimes; classifying data; making technical and conforming changes; amending Minnesota Statutes 2022, sections 10A.01, subdivisions 7, 10d, 33, by adding a subdivision; 10A.27, subdivision 17; 123B.09, subdivision 5b; 201.071, subdivision 3; 204C.06, subdivision 1, by adding a subdivision; 204C.19, subdivision 3; 204C.20, subdivision 1, by adding a subdivision; 204C.33, subdivision 1; 204C.35, subdivisions 1, 2, by adding a subdivision; 204C.36, subdivisions 2, 3; 205.16, subdivisions 4, 5; 205A.05, subdivision 3; 205A.07, subdivisions 3, 3b; 205A.11,

subdivision 2; 206.89, subdivisions 2, 3, 5, 6; 208.06; 208.44; 208.47; 209.01, subdivision 2; 211A.01, subdivisions 3, 7, 8, by adding a subdivision; 211A.02, subdivision 2; 211A.05, subdivision 1; 211A.06; 211A.07; 211A.12; 211A.14; 211B.17, subdivision 1; 211B.18; 375.08; 447.32, subdivision 3; 609.5151, subdivisions 1, 2; Minnesota Statutes 2023 Supplement, sections 2.92, subdivision 4; 5.305, subdivision 5; 10A.01, subdivision 21; 10A.04, subdivision 6; 10A.20, subdivisions 2a, 12; 10A.201, subdivisions 3, 4, 6, 9; 10A.202, subdivision 1; 200.02, subdivision 7; 201.061, subdivisions 3, 3a; 201.071, subdivision 1; 201.091, subdivision 4; 201.1611, subdivision 1; 203B.04, subdivision 1; 203B.07, subdivision 3; 204B.09, subdivision 3; 204B.16, subdivision 1; 204B.295, subdivisions 1, 2, 3, by adding a subdivision; 204C.24, subdivision 1; 204C.33, subdivision 3; 205.16, subdivision 2; 206.61, subdivision 1; 211A.02, subdivision 1; 211B.076, subdivision 4; 243.205, by adding a subdivision; 609.771, subdivisions 1, 2, 3, 4, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 2; 241; 375; 471; proposing coding for new law as Minnesota Statutes, chapter 209A; repealing Minnesota Statutes 2022, sections 211A.01, subdivisions 2, 4; 211A.02, subdivision 4; 383B.031; Minnesota Statutes 2023 Supplement, sections 10A.201, subdivision 11; 243.205, subdivision 3."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary and Public Safety. Amendments adopted. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 3972: A bill for an act relating to commerce; establishing sales restrictions of aerosol dusters containing 1,1-difluoroethane; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4098: A bill for an act relating to transportation; authorizing release of certain information on leased motor vehicles to licensed motor vehicle dealers; making technical changes; amending Minnesota Statutes 2023 Supplement, section 168.345, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Transportation. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4572: A bill for an act relating to human services; the Department of Human Services child placement and safety executive bill; amending Minnesota Statutes 2022, sections 243.166, subdivision 7; 256J.08, subdivision 34a; 256J.28, subdivision 1; 256N.22, subdivision 10; 256N.24, subdivision 10; 256N.26, subdivisions 15, 16, 18, 21, 22; 256P.05, by adding a subdivision; 259.37, subdivision 2; 259.79, subdivision 1; 259.83, subdivision 4; 260C.178, subdivision 7; 260C.201, subdivision 1; 260C.202; 260C.209, subdivision 1; 260C.212, subdivision 2; 260C.301, subdivision 1; 260C.515, subdivision 4; 260C.607, subdivisions 1, 6; 260C.611; 260C.613, subdivision 1; 260C.615, subdivision 1; 260E.03, subdivision 23; 393.07, subdivision 10a; Minnesota Statutes 2023 Supplement, sections 119B.011, subdivision 15; 119B.16, subdivisions 1a, 1c; 119B.161,

subdivision 2; 124D.142, subdivision 2; 144.2252, subdivision 2; 144.2253; 245A.03, subdivision 7; 256.046, subdivision 3; 256P.06, subdivision 3; 259.83, subdivisions 1, 1b, 3a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 16, delete section 11

Page 43, after line 27, insert:

"ARTICLE 5

MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 4, is amended to read:

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

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

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

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

(b)(1)(i) Except as provided in paragraph (c), the following data on applicants, certification holders, license holders, and former licensees are public: name, address, telephone number of licensees, email addresses except for family child foster care, date of receipt of a completed application, dates of licensure, licensed capacity, type of client preferred, variances granted, record of training and education in child care and child development, type of dwelling, name and relationship of other family members, previous license history, class of license, the existence and status of complaints, and the number of serious injuries to or deaths of individuals in the licensed program as reported to the commissioner of human services, the local social services agency, or any other county welfare agency. For purposes of this clause, a serious injury is one that is treated by a physician.

(ii) Except as provided in item (v), when a correction order, an order to forfeit a fine, an order of license suspension, an order of temporary immediate suspension, an order of license revocation, an order of license denial, or an order of conditional license has been issued, or a complaint is resolved, the following data on current and former licensees and applicants are public: the general nature of the complaint or allegations leading to the temporary immediate suspension; the substance and investigative findings of the licensing or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence of settlement negotiations; the record of informal resolution of a licensing violation; orders of hearing; findings of fact; conclusions of law; specifications of the final correction order, fine, suspension, temporary immediate suspension, revocation, denial, or

conditional license contained in the record of licensing action; whether a fine has been paid; and the status of any appeal of these actions.

(iii) When a license denial under section 245A.05 or a sanction under section 245A.07 is based on a determination that a license holder, applicant, or controlling individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity of the applicant, license holder, or controlling individual as the individual responsible for maltreatment is public data at the time of the issuance of the license denial or sanction.

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

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

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

(3) For applicants who are denied a license, the following data are public: the name and address of the applicant, the city and county in which the applicant was seeking licensure, the dates of the commissioner's receipt of the initial application and completed application, the type of license sought, the date of denial of the application, the nature of the basis for the denial, the existence of settlement negotiations, the record of informal resolution of a denial, orders of hearings, findings of fact, conclusions of law, specifications of the final order of denial, and the status of any appeal of the denial.

(4) When maltreatment is substantiated under section 626.557 or chapter 260E and the victim and the substantiated perpetrator are affiliated with a program licensed under chapter 245A, the commissioner of human services, local social services agency, or county welfare agency may inform the license holder where the maltreatment occurred of the identity of the substantiated perpetrator and the victim.

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

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

(d) The following are private data on individuals: the identity of persons who have made reports concerning licensees or applicants that appear in inactive investigative data, and the records of clients or employees of the licensee or applicant for licensure whose records are received by the licensing agency for purposes of review or in anticipation of a contested matter. The names of reporters of complaints or alleged violations of licensing standards under chapters 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment under section 626.557 and chapter 260E, are confidential data and may be disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557, subdivision 12b.

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

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

(g) Data that are not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report as defined in section 260E.03, or 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35, subdivision 6, and 626.557, subdivision 12b.

(h) Upon request, not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report of substantiated maltreatment as defined in section 626.557 or chapter 260E may be exchanged with the Department of Health for purposes of completing background studies pursuant to section 144.057 and with the Department of Corrections for purposes of completing background studies pursuant to section 241.021.

(i) Data on individuals collected according to licensing activities under chapters 245A and 245C, data on individuals collected by the commissioner of human services according to investigations under section 626.557 and chapters 245A, 245B, 245C, 245D, and 260E may be shared with the Department of Human Rights, the Department of Health, the Department of Corrections, the ombudsman for mental health and developmental disabilities, and the individual's professional regulatory board when there is reason to believe that laws or standards under the jurisdiction of those agencies may have been violated or the information may otherwise be relevant to the board's regulatory jurisdiction. Background study data on an individual who is the subject of a background study under chapter 245C for a licensed service for which the commissioner of human services is the license holder may be shared with the commissioner and the commissioner's delegate by the licensing division. Unless otherwise specified in this chapter, the identity of a reporter of alleged maltreatment or licensing violations may not be disclosed.

(j) In addition to the notice of determinations required under sections 260E.24, subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the commissioner or the local social services agency has determined that an individual is a substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in section 260E.03, and the commissioner or local social services agency knows that the individual is a person responsible for a child's care in another facility, the commissioner or local social services agency shall notify the head of that facility of this determination. The notification must include an explanation of the individual's available

appeal rights and the status of any appeal. If a notice is given under this paragraph, the government entity making the notification shall provide a copy of the notice to the individual who is the subject of the notice.

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

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 2. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 6a, is amended to read:

Subd. 6a. **Child care background study subject.** (a) "Child care background study subject" means an individual who is affiliated with a licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 119B, and who is:

- (1) employed by a child care provider for compensation;
- (2) assisting in the care of a child for a child care provider;
- (3) a person applying for licensure, certification, or enrollment;
- (4) a controlling individual as defined in section 245A.02, subdivision 5a;

(5) an individual 13 years of age or older who lives in the household where the licensed program will be provided and who is not receiving licensed services from the program;

(6) an individual ten to 12 years of age who lives in the household where the licensed services will be provided when the commissioner has reasonable cause as defined in section 245C.02, subdivision 15;

(7) an individual who, without providing direct contact services at a licensed program, certified program, or program authorized under chapter 119B, may have unsupervised access to a child receiving services from a program when the commissioner has reasonable cause as defined in section 245C.02, subdivision 15; ~~or~~

(8) a volunteer, contractor providing services for hire in the program, prospective employee, or other individual who has unsupervised physical access to a child served by a program and who is not under supervision by an individual listed in clause (1) or (5), regardless of whether the individual provides program services; or

(9) an authorized agent in a license-exempt certified child care center as defined in section 245H.01, subdivision 2a.

(b) Notwithstanding paragraph (a), an individual who is providing services that are not part of the child care program is not required to have a background study if:

(1) the child receiving services is signed out of the child care program for the duration that the services are provided;

(2) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 119B has obtained advanced written permission from the parent authorizing the child to receive the services, which is maintained in the child's record;

(3) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 119B maintains documentation on site that identifies the individual service provider and the services being provided; and

(4) the licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 119B ensures that the service provider does not have unsupervised access to a child not receiving the provider's services.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 245E.08, is amended to read:

245E.08 REPORTING OF SUSPECTED FRAUDULENT ACTIVITY.

(a) A person who, in good faith, makes a report of or testifies in any action or proceeding in which financial misconduct is alleged, and who is not involved in, has not participated in, or has not aided and abetted, conspired, or colluded in the financial misconduct, shall have immunity from any liability, civil or criminal, that results by reason of the person's report or testimony. For the purpose of any proceeding, the good faith of any person reporting or testifying under this provision shall be presumed.

(b) If a person that is or has been involved in, participated in, aided and abetted, conspired, or colluded in the financial misconduct reports the financial misconduct, the department may consider that person's report and assistance in investigating the misconduct as a mitigating factor in the department's pursuit of civil, criminal, or administrative remedies.

(c) 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 paragraph does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except that 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."

Renumber the sections in sequence

Amend the title accordingly

And when so amended the bill do pass and be re-referred to the Committee on Health and Human Services. Amendments adopted. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4860: A bill for an act relating to state government; modifying vital records provisions; amending Minnesota Statutes 2022, sections 144.212, by adding a subdivision; 144.216, subdivision 2, by adding subdivisions; 144.218, by adding a subdivision; 259.52, subdivisions 2, 4; repealing Minnesota Statutes 2022, section 144.218, subdivision 3.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Health and Human Services. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4891: A bill for an act relating to administrative law; making technical and policy changes to the Administrative Procedure Act and Office of Administrative Hearings provisions; amending Minnesota Statutes 2022, sections 14.05, subdivision 7; 14.08; 14.16, subdivision 3; 14.26, subdivision 3a; 14.386; 14.388, subdivision 2; 14.3895, subdivisions 2, 6; 14.48, subdivision 2; 14.62, subdivision 2a; 15A.083, subdivision 6a; 211B.33, subdivision 2; 211B.34, subdivisions 1, 2; 211B.35, subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapters 13; 14; repealing Minnesota Statutes 2022, section 211B.06.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on State and Local Government and Veterans. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4735: A bill for an act relating to commerce; regulating private student loan servicers and lenders; providing for civil penalties; amending Minnesota Statutes 2022, sections 58B.02, subdivision 8, by adding a subdivision; 58B.03, by adding a subdivision; 58B.06, subdivisions 4, 5; 58B.07, subdivisions 1, 3, 9, by adding subdivisions; 58B.09, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 58B.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4823: A bill for an act relating to data practices; authorizing the Department of Public Safety to use verification systems to verify the identity of participants in the Transportation Security Administration's Registered Traveler program; amending Minnesota Statutes 2023 Supplement, section 171.12, subdivision 7b.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Transportation.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 4138: A bill for an act relating to commerce; establishing consumer protections with respect to residential real estate; requiring background checks for a residential loan originator; requiring financial institution information be kept confidential; amending Minnesota Statutes 2022, sections 45.011, subdivision 1; 58.06, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 65A; 332; 513; proposing coding for new law as Minnesota Statutes, chapter 46A; repealing Minnesota Statutes 2022, section 332.3351.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Report adopted.

Senator Latz from the Committee on Judiciary and Public Safety, to which was re-referred

S.F. No. 3358: A bill for an act relating to insurance; codifying bail bond standards and regulations; proposing coding for new law as Minnesota Statutes, chapter 60M.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 4027, 4225, 4399, 3567, 3852, and 3537 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Morrison, Mann, and Utke introduced--

S.F. No. 5176: A bill for an act relating to human services; modifying payment rates to Indian health services facilities for certain medications; modifying requirements for hospitals serving as adult day treatment providers; amending Minnesota Statutes 2023 Supplement, sections 256B.0625, subdivision 34; 256B.0671, subdivision 3.

Referred to the Committee on Health and Human Services.

Senators Pratt and Draheim introduced--

S.F. No. 5177: A bill for an act relating to workforce development; allowing employers to request a refund of special assessments for employee training; requiring reports; amending Minnesota Statutes 2022, section 116L.20, by adding a subdivision.

Referred to the Committee on Jobs and Economic Development.

Senators Fateh and Pha introduced--

S.F. No. 5178: A bill for an act relating to economic development; establishing the period from April 25 to May 25 as Underserved Business Month; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 10.

Referred to the Committee on Jobs and Economic Development.

Senator Xiong introduced--

S.F. No. 5179: A bill for an act relating to human services; modifying countable income under the housing support program; amending Minnesota Statutes 2023 Supplement, section 256I.03, subdivision 7.

Referred to the Committee on Health and Human Services.

Senator Xiong introduced--

S.F. No. 5180: A bill for an act relating to human services; modifying the general assistance standard of assistance; amending Minnesota Statutes 2022, section 256D.01, subdivision 1b.

Referred to the Committee on Health and Human Services.

Senator Champion introduced--

S.F. No. 5181: A bill for an act relating to workforce development; appropriating money for a grant to VoCul workforce development program.

Referred to the Committee on Jobs and Economic Development.

Senator Champion introduced--

S.F. No. 5182: A bill for an act relating to capital investment; appropriating money for a pedestrian bridge over the Mississippi River connecting 26th Avenue North to 18th Avenue Northeast in the city of Minneapolis; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Hoffman introduced--

S.F. No. 5183: A bill for an act relating to human services; modifying the family assets for independence program; amending Minnesota Statutes 2022, section 256E.35, subdivision 5; Minnesota Statutes 2023 Supplement, section 256E.35, subdivision 2.

Referred to the Committee on Health and Human Services.

Senator Drazkowski introduced--

S.F. No. 5184: A bill for an act relating to state government; requiring the secretary of state to place advisory questions on the 2024 state general election ballot related to the state flag and state seal designs adopted by the State Emblems Redesign Commission; repealing laws establishing new state flag and state seal designs; repealing Laws 2023, chapter 62, article 2, sections 1; 2; 3; 4; 5; 133, subdivision 1.

Referred to the Committee on State and Local Government and Veterans.

Senator Farnsworth introduced--

S.F. No. 5185: A bill for an act relating to economic development; appropriating money for a grant to Arrowhead Economic Opportunity Agency.

Referred to the Committee on Jobs and Economic Development.

Senator Wiklund introduced--

S.F. No. 5186: A bill for an act relating to taxation; individual income; establishing a contingent health insurance premium tax credit; amending Minnesota Statutes 2022, section 290.0122, subdivision 6; Minnesota Statutes 2023 Supplement, section 62V.13, subdivision 3.

Referred to the Committee on Taxes.

Senator Maye Quade introduced--

S.F. No. 5187: A bill for an act relating to education; modifying school board membership requirements; expanding school board membership to include student members; amending Minnesota Statutes 2022, sections 123B.09; 128.01; 128D.05; 128D.055, subdivision 1.

Referred to the Committee on Education Policy.

Senators Hawj, Fateh, Boldon, Xiong, and Nelson introduced--

S.F. No. 5188: A bill for an act relating to capital investment; appropriating money for the Asian Economic Development Association.

Referred to the Committee on Capital Investment.

Senators Hawj, Fateh, Boldon, and Maye Quade introduced--

S.F. No. 5189: A bill for an act relating to workforce development; appropriating money for a grant to Theater Mu for a workforce development program.

Referred to the Committee on Jobs and Economic Development.

Senators Gruenhagen, Hoffman, and Anderson introduced--

S.F. No. 5190: A bill for an act relating to special assessments; allowing local units of government to collect unpaid service charges for certain sewer projects as special assessments; amending Minnesota Statutes 2022, sections 115.55, by adding a subdivision; 429.011, subdivisions 2, 2a; 429.101, subdivision 1.

Referred to the Committee on State and Local Government and Veterans.

Senators Dibble, Seeberger, Hawj, and Abeler introduced--

S.F. No. 5191: A bill for an act relating to taxation; individual income; providing a tax credit for the removal of trees infested by the emerald ash borer; amending Minnesota Statutes 2022, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Dibble, Boldon, Gustafson, Kunesh, and Mohamed introduced--

S.F. No. 5192: A bill for an act relating to economic development; modifying the public skate park construction and renovation program; modifying an earlier appropriation; appropriating money; amending Laws 2023, chapter 71, article 1, section 14, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 2022, section 240A.20, subdivisions 2, 4, 5; Minnesota Statutes 2023 Supplement, section 240A.20, subdivisions 1, 3, 6, 7; Laws 2023, chapter 71, article 1, section 7.

Referred to the Committee on Jobs and Economic Development.

Senator Dahms introduced--

S.F. No. 5193: A bill for an act relating to liquor; authorizing the city of Springfield to issue an on-sale license.

Referred to the Committee on Commerce and Consumer Protection.

Senators Klein and Dibble introduced--

S.F. No. 5194: A bill for an act relating to taxation; income; proposing a refundable credit for conversion of underutilized buildings; allowing grants in lieu of the credit; proposing a sunset for the credit; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

Senator Pha introduced--

S.F. No. 5195: A bill for an act relating to real property; prohibiting homeowners' associations from limiting the right to display any flag; amending Minnesota Statutes 2022, section 500.215, subdivisions 1, 2.

Referred to the Committee on Judiciary and Public Safety.

Senator Klein introduced--

S.F. No. 5196: A bill for an act relating to life insurance; requiring life insurance companies and policies to provide certain notices; proposing coding for new law in Minnesota Statutes, chapter 61A.

Referred to the Committee on Commerce and Consumer Protection.

Senator Pappas introduced--

S.F. No. 5197: A bill for an act relating to retirement; Minnesota State Retirement System; general state employees retirement fund; authorizing foreign citizens employed by public employers on a H-1B, H-1B1, or E3 visa to purchase service credit for a prior period of employment as an excluded employee; amending Laws 2021, chapter 22, article 2, section 3, subdivision 2, by adding a subdivision.

Referred to the Committee on State and Local Government and Veterans.

Senator Pappas introduced--

S.F. No. 5198: A bill for an act relating to capital investment; appropriating money for site selection planning and acquisition for a new facility to be known as the Oyate Ota Center.

Referred to the Committee on Capital Investment.

Senator Pappas introduced--

S.F. No. 5199: A bill for an act relating to workforce development; appropriating money for grants to Milestone Community Development and Minnesota STEM Project.

Referred to the Committee on Jobs and Economic Development.

Senator Pappas introduced--

S.F. No. 5200: A bill for an act relating to capital investment; appropriating money for library construction grants; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Pappas introduced--

S.F. No. 5201: A bill for an act relating to capital investment; appropriating money for early childhood learning and child protection facilities; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Kunesch introduced--

S.F. No. 5202: A bill for an act relating to education; integrating American Indian views on the environment and ecology into statewide curriculum; appropriating money.

Referred to the Committee on Education Finance.

Senator Fateh introduced--

S.F. No. 5203: A bill for an act relating to human services; appropriating money for a study of rates for community first services and supports; requiring a report.

Referred to the Committee on Human Services.

Senator Kunesch introduced--

S.F. No. 5204: A bill for an act relating to education; establishing a teacher and paraprofessional compensation working group; requiring a report; appropriating money.

Referred to the Committee on Education Finance.

Senators Dibble and Maye Quade introduced--

S.F. No. 5205: A bill for an act relating to human services; appropriating money for a needs analysis for emergency shelter for LGBTQIA+ youth experiencing homelessness; requiring a report.

Referred to the Committee on Health and Human Services.

Senator Pha introduced--

S.F. No. 5206: A bill for an act relating to commerce; defining appeal to individuals under 21 years of age related to packaging and advertising; amending Minnesota Statutes 2023 Supplement, section 342.62, subdivision 3, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Senator Fateh introduced--

S.F. No. 5207: A bill for an act relating to health and human services; providing for an open statutory appropriation for the cost of certain background studies; appropriating money; amending Minnesota Statutes 2022, section 245C.10, subdivision 18; Minnesota Statutes 2023 Supplement, sections 245C.10, subdivisions 3, 10; 256.4764, subdivision 3; Laws 2023, chapter 61, article 9, section 2, subdivision 13.

Referred to the Committee on Health and Human Services.

Senators Wesenberg, Eichorn, Lang, and Farnsworth introduced--

S.F. No. 5208: A bill for an act relating to natural resources; authorizing the use of purple paint in lieu of signage prohibiting trespassing; amending Minnesota Statutes 2022, section 97B.001, subdivision 4.

Referred to the Committee on Environment, Climate, and Legacy.

Senator Wesenberg introduced--

S.F. No. 5209: A bill for an act relating to natural resources; requiring the commissioner of natural resources to provide unimpeded access to state forest roads for certain commercial purposes; amending Minnesota Statutes 2022, section 89.002, subdivision 3.

Referred to the Committee on Environment, Climate, and Legacy.

Senator Wesenberg introduced--

S.F. No. 5210: A bill for an act relating to game and fish; authorizing emergency importation of minnows to ensure adequate bait supply; amending Minnesota Statutes 2022, section 97C.515, by adding a subdivision.

Referred to the Committee on Environment, Climate, and Legacy.

Senator Morrison introduced--

S.F. No. 5211: A bill for an act relating to transportation; establishing electric-assisted bicycle training, education, and sales requirements; requiring an electric-assisted bicycle operator's permit; requiring an electric-assisted bicycle youth operation study; requiring a report; amending Minnesota Statutes 2022, sections 169.011, by adding a subdivision; 169.222, subdivisions 2, 6a, 6b; 171.01, by adding a subdivision; 171.02, by adding a subdivision; 171.061, subdivisions 1, 3; Minnesota Statutes 2023 Supplement, sections 123B.935, subdivision 1; 169.011, subdivision 27; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Transportation.

Senator Morrison introduced--

S.F. No. 5212: A bill for an act relating to transportation; authorizing electronic drivers' licenses; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 171.

Referred to the Committee on Transportation.

Senator Mathews introduced--

S.F. No. 5213: A bill for an act relating to vital records; requiring that immunization data be included on death records; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Senator Bahr introduced--

S.F. No. 5214: A bill for an act relating to capital investment; appropriating money for clean water infrastructure in the city of Ramsey; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Hoffman introduced--

S.F. No. 5215: A bill for an act relating to human services; appropriating money for capital improvements of Twin Cities Health Services' location.

Referred to the Committee on Human Services.

Senator Kunesh introduced--

S.F. No. 5216: A bill for an act relating to education; requiring teacher preparation programs to provide instruction on ableism and disability justice; modifying teacher license renewal requirements; appropriating money; amending Minnesota Statutes 2022, section 122A.187, by adding a subdivision; Minnesota Statutes 2023 Supplement, section 122A.092, subdivision 2.

Referred to the Committee on Education Policy.

Senators Dibble, Rest, Wiklund, Morrison, and Carlson introduced--

S.F. No. 5217: A bill for an act relating to firearms; establishing standards for the safe storage of firearms and criminal penalties for failing to meet those standards; amending Minnesota Statutes 2022, section 609.666; Minnesota Statutes 2023 Supplement, section 624.713, subdivision 1.

Referred to the Committee on Judiciary and Public Safety.

Senator Putnam introduced--

S.F. No. 5218: A bill for an act relating to workforce development; appropriating money for the commissioner of employment and economic development to contract with a vendor of child care business management solutions.

Referred to the Committee on Jobs and Economic Development.

Senator Utke introduced--

S.F. No. 5219: A bill for an act relating to agriculture; appropriating money to the commissioner of agriculture for a grant to a county soil and conservation district for an irrigation pilot project.

Referred to the Committee on Agriculture, Broadband, and Rural Development.

Senator Hoffman introduced--

S.F. No. 5220: A bill for an act relating to economic development; providing special authority to the city of Brooklyn Park to allow for the establishment of a biotech innovation district; authorizing the city of Brooklyn Park to establish a value capture district; requiring reports; appropriating money; authorizing the sale and issuance of state bonds; amending Laws 2023, chapter 37, article 1, section 2, subdivision 17.

Referred to the Committee on Jobs and Economic Development.

Senators Housley and Draheim introduced--

S.F. No. 5221: A bill for an act relating to housing; prohibiting state agencies from promulgating rules increasing costs of residential construction by more than \$3,000 per unit; proposing coding for new law in Minnesota Statutes, chapter 14.

Referred to the Committee on State and Local Government and Veterans.

Senator Anderson introduced--

S.F. No. 5222: A bill for an act relating to education; modifying requirements to bring awareness of library services for blind and print disabled persons; amending Minnesota Statutes 2022, section 134.31, subdivision 6; Minnesota Statutes 2023 Supplement, section 134.31, subdivision 4a.

Referred to the Committee on Education Policy.

Senator Anderson introduced--

S.F. No. 5223: A bill for an act relating to capital investment; appropriating money for capital improvements for historic bridges; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Draheim introduced--

S.F. No. 5224: A bill for an act relating to economic development; requiring consultation and reports on grants that exceed a certain dollar threshold; amending Minnesota Statutes 2022, section 116L.98, by adding a subdivision.

Referred to the Committee on Jobs and Economic Development.

Senator Mohamed introduced--

S.F. No. 5225: A bill for an act relating to human services; appropriating money for a grant to consolidate children's residential treatment programs and create a specialized care children's residential treatment campus.

Referred to the Committee on Health and Human Services.

MOTIONS AND RESOLUTIONS

Senator Nelson moved that the name of Senator McEwen be added as a co-author to S.F. No. 727. The motion prevailed.

Senator Klein moved that the name of Senator Frentz be added as a co-author to S.F. No. 1949. The motion prevailed.

Senator Lang moved that the name of Senator Pha be added as a co-author to S.F. No. 2627. The motion prevailed.

Senator Boldon moved that the name of Senator Lieske be added as a co-author to S.F. No. 2656. The motion prevailed.

Senator Maye Quade moved that the name of Senator Pappas be added as a co-author to S.F. No. 3504. The motion prevailed.

Senator Howe moved that the name of Senator Maye Quade be added as a co-author to S.F. No. 3856. The motion prevailed.

Senator Fateh moved that the name of Senator Mann be added as a co-author to S.F. No. 3977. The motion prevailed.

Senator Mitchell moved that the names of Senators Bahr and Carlson be added as co-authors to S.F. No. 4132. The motion prevailed.

Senator Boldon moved that the name of Senator Mann be added as a co-author to S.F. No. 4170. The motion prevailed.

Senator Gustafson moved that the name of Senator Latz be added as a co-author to S.F. No. 4314. The motion prevailed.

Senator Hawj moved that the name of Senator Draheim be added as a co-author to S.F. No. 4435. The motion prevailed.

Senator Pappas moved that the name of Senator Latz be added as a co-author to S.F. No. 4447. The motion prevailed.

Senator Coleman moved that the name of Senator Morrison be added as a co-author to S.F. No. 4454. The motion prevailed.

Senator Xiong moved that the name of Senator Oumou Verbeten be added as a co-author to S.F. No. 4465. The motion prevailed.

Senator Champion moved that the name of Senator Pha be added as a co-author to S.F. No. 4477. The motion prevailed.

Senator Cwodzinski moved that the name of Senator Marty be added as a co-author to S.F. No. 4578. The motion prevailed.

Senator Xiong moved that the name of Senator Oumou Verbeten be added as a co-author to S.F. No. 4593. The motion prevailed.

Senator Housley moved that the name of Senator Duckworth be added as a co-author to S.F. No. 4685. The motion prevailed.

Senator Rest moved that the name of Senator Nelson be added as a co-author to S.F. No. 4725. The motion prevailed.

Senator Klein moved that the name of Senator Port be added as a co-author to S.F. No. 4740. The motion prevailed.

Senator Pappas moved that the name of Senator Pha be added as a co-author to S.F. No. 4758. The motion prevailed.

Senator Fateh moved that the name of Senator Abeler be added as a co-author to S.F. No. 4780. The motion prevailed.

Senator Port moved that the names of Senators Klein, Oumou Verbeten, Kupec, and Murphy be added as co-authors to S.F. No. 4782. The motion prevailed.

Senator Mitchell moved that the name of Senator Xiong be added as a co-author to S.F. No. 4889. The motion prevailed.

Senator McEwen moved that the names of Senators Seeberger and Hauschild be added as co-authors to S.F. No. 4909. The motion prevailed.

Senator Wiklund moved that the name of Senator Mann be added as a co-author to S.F. No. 4912. The motion prevailed.

Senator Wiklund moved that the name of Senator Mann be added as a co-author to S.F. No. 4946. The motion prevailed.

Senator Klein moved that his name be stricken as a co-author to S.F. No. 5110. The motion prevailed.

Senator Morrison moved that her name be stricken as chief author, shown as a co-author, and the name of Senator Rest be added as chief author to S.F. No. 5110. The motion prevailed.

Senator Nelson moved that the names of Senators Limmer and Duckworth be added as co-authors to S.F. No. 5054. The motion prevailed.

Senator Nelson moved that the names of Senators Limmer and Duckworth be added as co-authors to S.F. No. 5078. The motion prevailed.

Senator Nelson moved that the names of Senators Limmer and Duckworth be added as co-authors to S.F. No. 5079. The motion prevailed.

Senator Gustafson moved that the name of Senator Boldon be added as a co-author to S.F. No. 5152. The motion prevailed.

Senator Hoffman moved that S.F. No. 4044 be withdrawn from the Committee on Commerce and Consumer Protection and re-referred to the Committee on Human Services. The motion prevailed.

Senator Pappas moved that S.F. No. 4455 be withdrawn from the Committee on Judiciary and Public Safety and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

Senator Hoffman moved that S.F. No. 4976 be withdrawn from the Committee on Human Services and re-referred to the Committee on Health and Human Services. The motion prevailed.

Senator Westrom moved that S.F. No. 4990 be withdrawn from the Committee on State and Local Government and Veterans and returned to its author. The motion prevailed.

Senator Gustafson moved that S.F. No. 5051 be withdrawn from the Committee on Education Policy and returned to its author. The motion prevailed.

Senators Kunes, Gustafson, Seeberger, Putnam, and Kupec introduced --

Senate Resolution No. 85: A Senate resolution recognizing March 25 as Women in Agriculture Day.

Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Senators Draheim, Duckworth, Farnsworth, Housley, Lang, Latz, Mann, Nelson, and Wesenberg were excused from the Session of today.

ADJOURNMENT

Senator Murphy moved that the Senate do now adjourn until 12:00 noon, Tuesday, April 2, 2024. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate

