

STATE OF MINNESOTA

Journal of the Senate

EIGHTY-THIRD LEGISLATURE

THIRTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, April 9, 2003

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by Senator Michael Jungbauer.

The roll was called, and the following Senators answered to their names:

Anderson	Gaither	Larson	Olson	Scheid
Bachmann	Hann	LeClair	Ortman	Senjem
Bakk	Higgins	Limmer	Pappas	Skoe
Belanger	Johnson, D.E.	Lourey	Pariseau	Skoglund
Berglin	Johnson, D.J.	Marko	Pogemiller	Solon
Betzold	Jungbauer	Marty	Ranum	Sparks
Chaudhary	Kelley	McGinn	Reiter	Stumpf
Day	Kierlin	Metzen	Rest	Tomassoni
Dibble	Kiscaden	Michel	Robling	Vickerman
Dille	Kleis	Moua	Rosen	Wergin
Fischbach	Knutson	Murphy	Ruud	Wiger
Foley	Kubly	Neuville	Sams	
Frederickson	Langseth	Nienow	Saxhaug	

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 communications were received.

April 3, 2003

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2003 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2003	Date Filed 2003
726		6	12:55 p.m. April 3	April 3
512		8	2:30 p.m. April 2	April 3

Sincerely,
Mary Kiffmeyer
Secretary of State

April 4, 2003

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2003 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2003	Date Filed 2003
356		7	3:35 p.m. April 4	April 4

Sincerely,
Mary Kiffmeyer
Secretary of State

April 7, 2003

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2003 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2003	Date Filed 2003
	1158	9	4:35 p.m. April 7	April 7
	267	10	1:00 p.m. April 7	April 7

Sincerely,
Mary Kiffmeyer
Secretary of State

REPORTS OF COMMITTEES

Senator Rest moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 838, 712, 426 and 1281. The motion prevailed.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 1014: A bill for an act relating to victims; increasing parental liability owed to a victim for acts of certain juvenile offenders; amending certain laws to enhance victim rights; amending Minnesota Statutes 2002, sections 260B.163, subdivision 1; 260B.171, subdivision 4; 540.18, subdivision 1; 611A.01.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Marty from the Committee on Environment and Natural Resources, to which was re-referred

S.F. No. 1195: A bill for an act relating to natural resources; authorizing a drainage authority to compensate landowners for the removal of a bridge; amending Minnesota Statutes 2002, section 103E.701, by adding a subdivision.

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

Page 1, line 9, after "BRIDGE" insert "OR CULVERT"

Page 1, line 12, after "bridge" insert "or culvert"

Page 1, line 13, after "bridge" insert "or culvert"

Page 1, line 15, after "bridge" insert "or culvert"

Page 1, line 16, after "bridge" insert "or culvert"

Page 1, line 17, after "bridge" insert "or culvert"

Page 1, line 18, after "bridge" insert "or culvert"

Page 1, line 20, after "bridge" insert "or culvert"

Page 1, line 21, after "bridge" insert "or culvert"

Page 1, line 22, after "bridge" insert "or culvert"

Amend the title as follows:

Page 1, line 4, delete "bridge" and insert "private bridge or culvert"

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

Senator Betzold from the Committee on Judiciary, to which was referred

S.F. No. 727: A bill for an act relating to adoption; modifying postadoption services requirements; amending Minnesota Statutes 2002, section 259.83, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 316: A bill for an act relating to the open meeting law; authorizing the commissioner

of administration to issue written opinions regarding compliance with the law; amending Minnesota Statutes 2002, section 13.072, subdivisions 1, 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 Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 1015: A bill for an act relating to veterans affairs; permitting the commissioner of veterans affairs access to taxpayer identification information to notify veterans of health hazards that might affect them; amending Minnesota Statutes 2002, section 270B.14, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 414: A bill for an act relating to municipal contracts; permitting the awarding of attorney fees in certain cases; amending Minnesota Statutes 2002, section 471.345, subdivision 14.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 42: A bill for an act relating to crime prevention; requiring law enforcement agencies and prosecuting authorities in cities of the first class to notify community crime prevention groups of the outcome of criminal proceedings; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Page 2, delete line 33

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

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 958: A bill for an act relating to veterans; classifying military certificates of discharge as private data on individuals; providing procedures for their release; amending Minnesota Statutes 2002, sections 13.785, subdivision 2; 196.08; 386.20, subdivision 1.

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

Page 2, line 21, after the first comma, insert "and except as authorized in paragraph (c)," and after "entity" delete the comma

Page 2, line 22, delete everything before "may"

Page 2, after line 30, insert:

"(c) This section does not prohibit the release of forms DD214 and DD215 or other certificates of discharge from military service by an employee or official within a government entity to another employee or official within that government entity for purposes of performance of official duties.

(d)"

Page 2, line 35, delete "(c)" and insert "(e)"

Page 3, line 2, delete "(d)" and insert "(f)"

Page 3, after line 13, insert:

"(g) For purposes of this section, the term "government entity" has the meaning given in section 13.02, subdivision 7a."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 156: A bill for an act relating to commerce; clarifying provisions regulating data on Internet consumers; amending Minnesota Statutes 2002, sections 325M.01, subdivision 5; 325M.03; 325M.09.

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

Page 1, line 19, after "include" insert ":

(1)"

Page 1, line 21, before the period, insert " or

(2) information from which all information identifying a consumer has been removed and that cannot be combined with other information to identify the consumer"

Page 2, line 30, delete everything after "of"

Page 2, delete lines 31 and 32 and insert "personally identifiable information that is retained and temporarily stored, used only for system backup or other technical purposes, and not disclosed to a third party."

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

Senator Betzold from the Committee on Judiciary, to which was referred

S.F. No. 1176: A bill for an act relating to civil law; clarifying that civil actions against the state may be brought in federal court under certain federal statutes; amending Minnesota Statutes 2002, section 1.05.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 964: A bill for an act relating to crime prevention; defining terms in the predatory offender registration law; allowing crime victims to have input earlier in the plea agreement process; imposing conditions on the disclosure of videotaped interviews of child abuse victims; clarifying the rape examination law; amending Minnesota Statutes 2002, sections 13.821; 243.166, subdivision 4a; 609.35; 611A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 611A; 634.

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

Pages 2 and 3, delete section 2

Page 4, line 28, delete "additional" and insert "more than two"

Page 4, lines 32 and 35, delete "tape" and insert "tapes"

Page 5, lines 3, 6, 7, 8, 9, 10, and 11, delete "tape" and insert "tapes"

Page 5, line 16, delete "tape" and insert "tapes" in both places

Page 5, line 21, delete "6" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "allowing"

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete "subdivision 4a;"

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

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 1263: A bill for an act relating to agriculture; providing for the headquarters of the department of agriculture to be named after Orville L. Freeman.

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

Page 1, line 7, delete "department" and insert "departments" and after "agriculture" insert "and health"

Amend the title as follows:

Page 1, line 3, delete "department" and insert "departments" and after "agriculture" insert "and health"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was re-referred

S.F. No. 377: A bill for an act relating to child safety; prohibiting the sale and commercial use of certain cribs; providing enforcement; proposing coding for new law in Minnesota Statutes, chapters 245A; 325F.

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

Page 1, line 9, after "SAFETY" insert "COMMISSION"

Page 3, line 22, delete "or" and insert "of"

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

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1329: A bill for an act relating to health; prohibiting tobacco use in certain public institutions; amending Minnesota Statutes 2002, section 144.414, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 246.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1053: A bill for an act relating to pharmacy; modifying wholesale drug distributor requirements; amending Minnesota Statutes 2002, section 151.47, subdivision 1.

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

Page 4, line 1, after the period, insert "Any information reported under this paragraph shall be classified as nonpublic data under section 13.02, subdivision 9."

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

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1119: A bill for an act relating to human services; allowing a licensing change in Goodhue county to an existing ICF/MR.

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

Page 1, line 6, delete "any law or rule to the contrary" and insert "Minnesota Statutes, chapter 245B or 246B"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1049: A bill for an act relating to health; modifying newborn screenings; amending Minnesota Statutes 2002, sections 144.125; 144.128; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 2, line 32, after "their" insert "personal beliefs or"

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1234: A bill for an act relating to health occupations; modifying licensure requirements for occupational therapists whose licenses have lapsed for more than four years; amending Minnesota Statutes 2002, section 148.6425, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 972: A bill for an act relating to child support enforcement; classifying certain data; requiring additional information; clarifying and improving certain procedures and support enforcement provisions; clarifying a funding provision; amending Minnesota Statutes 2002, sections 13.69, subdivision 1; 171.06, subdivision 3; 518.551, subdivisions 5, 12, 13; 518.6111, subdivision 7; 518.68, subdivision 2; 548.091, subdivision 1a; 552.01, subdivisions 2, 3, 5, 7; 552.04, subdivision 15; 552.06, subdivisions 1, 2, 5, 6; 609.375, subdivision 2b; Laws 1997, chapter 245, article 2, section 11; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Page 2, line 31, delete "446(a)(13)" and insert "466(a)(13)"

Page 4, after line 24, insert:

"Sec. 4. Minnesota Statutes 2002, section 171.07, is amended by adding a subdivision to read:

Subd. 14. [USE OF SOCIAL SECURITY NUMBER.] An applicant's social security number must not be displayed, encrypted, or encoded on the driver's license or Minnesota identification card or included in a magnetic strip or bar code used to store data on the license or Minnesota identification card.

Sec. 5. Minnesota Statutes 2002, section 518.171, subdivision 7, is amended to read:

Subd. 7. [RELEASE OF INFORMATION.] (a) The employer, union, or insurance agent of either party shall release to the public authority, upon request, any information relating to dependent health or dental insurance coverage available to a party in order to verify availability of dependent insurance coverage, or to establish, modify, or enforce medical support.

(b) When an order for dependent insurance coverage is in effect, the obligor's employer, union, or insurance agent shall release to the obligee or the public authority, upon request, information on the dependent coverage, including the name of the health or dental insurance carrier or employer. The employer, union, or health or dental insurance plan shall provide the obligee with insurance identification cards and all necessary written information to enable the obligee to utilize the insurance benefits for the covered dependents. Notwithstanding any other law, information reported pursuant to section 268.044 shall be released to the public agency responsible for support enforcement that is enforcing an order for health or dental insurance coverage under this section. ~~The public agency responsible for support enforcement is authorized to release to the obligor's health or dental insurance carrier or employer information necessary to obtain or enforce medical support.~~

(c) The public agency responsible for child support enforcement is authorized to release to a party's health or dental insurance carrier or employer information necessary to verify availability of dependent insurance coverage, or to establish, modify, or enforce medical support."

Page 6, line 27, strike "Child"

Page 6, line 31, delete "child"

Page 15, lines 21 and 27, after "court" insert "or public authority"

Page 20, lines 5 and 8, after "court" insert "or public authority"

Page 32, line 31, delete "for contempt" and insert "to show cause"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "3;" insert "171.07, by adding a subdivision; 518.171, subdivision 7;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was referred

S.F. No. 685: A bill for an act relating to eminent domain; providing for access to appraisal data by property owners; providing for appraisal costs and attorney fees; establishing appraisal and negotiation requirements before eminent domain proceedings for transportation purposes may be commenced; amending Minnesota Statutes 2002, sections 13.44, subdivision 3; 117.085; 117.175, subdivision 2; 117.232, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 117.

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 2002, section 13.44, subdivision 3, is amended to read:

Subd. 3. [REAL PROPERTY; APPRAISAL DATA.] (a) [CONFIDENTIAL OR PROTECTED NONPUBLIC DATA.] Estimated or appraised values of individual parcels of real property which are made by personnel of the state, its agencies and departments, or a political subdivision or by independent appraisers acting for the state, its agencies and departments, or a political subdivision for the purpose of selling or acquiring land through purchase or condemnation are classified as confidential data on individuals or protected nonpublic data.

(b) [PUBLIC DATA.] The data made confidential or protected nonpublic by the provisions of paragraph (a) shall become public upon the occurrence of any of the following:

- (1) the negotiating parties exchange appraisals;
- (2) the data are submitted to a court appointed condemnation commissioner;
- (3) the data are presented in court in condemnation proceedings; or
- (4) the negotiating parties enter into an agreement for the purchase and sale of the property; or
- (5) the data are submitted to the owner under section 117.036.

Sec. 2. [117.036] [APPRAISAL AND NEGOTIATION REQUIREMENTS APPLICABLE TO ACQUISITION OF PROPERTY FOR TRANSPORTATION PURPOSES.]

Subdivision 1. [APPLICATION.] This section applies to the acquisition of property for public highways, streets, roads, alleys, airports, mass transit facilities, or for other transportation facilities or purposes.

Subd. 2. [APPRAISAL.] (a) Before commencing an eminent domain proceeding under this chapter, the acquiring authority must obtain at least one appraisal for the property proposed to be acquired. In making the appraisal, the appraiser must confer with one or more of the owners of the property, if reasonably possible. At least 20 days before presenting a petition under section 117.055, the acquiring authority must provide the owner with a copy of the appraisal and inform the owner of the owner's right to obtain an appraisal under this section.

(b) The owner may obtain an appraisal by a qualified appraiser of the property proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs of the appraisal from the acquiring authority up to the limits provided by section 117.085 at the time the owner submits the appraisal to the acquiring authority, provided that the owner does so within 60 days after the owner receives the appraisal from the authority under paragraph (a).

Subd. 3. [NEGOTIATION.] In addition to the appraisal requirements under subdivision 2, before commencing an eminent domain proceeding, the acquiring authority must make a good faith attempt to negotiate personally with the owner of the property in order to acquire the property by direct purchase instead of the use of eminent domain proceedings. In making this negotiation, the acquiring authority must consider the appraisals in its possession and other information that may be relevant to a determination of damages under this chapter.

Sec. 3. Minnesota Statutes 2002, section 117.175, subdivision 2, is amended to read:

Subd. 2. The court may, in its discretion, after a verdict has been rendered on the trial of an appeal, allow as taxable costs reasonable expert witness and appraisal fees of the owner, together with the owner's reasonable costs and disbursements. The court may award the owner reasonable attorney fees if the final judgment or verdict exceeds the commissioner's award of damages by 20 percent or more and the proceeding involved an acquisition of property for transportation purposes governed by section 117.036. No expert witness fees, costs or disbursements shall be awarded to the petitioner regardless of who is the prevailing party."

Delete the title and insert:

"A bill for an act relating to eminent domain; establishing appraisal and negotiation requirements before eminent domain proceedings for transportation purposes may be commenced; amending Minnesota Statutes 2002, sections 13.44, subdivision 3; 117.175, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 117."

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

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 425: A bill for an act relating to human services; establishing hearing procedures; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Page 2, line 23, delete "within" and insert "at least"

Page 2, line 24, delete "of the date the agency is notified" and insert "before the date"

Page 2, line 29, delete everything after "(a)" and insert ". The person involved in the fair hearing should be provided, through the state agency appeal summary or other reasonable methods, appropriate information about the procedures for the fair hearing and an adequate opportunity to prepare."

Page 2, line 33, delete "support the factual and" and insert "inform the person involved in the appeal of the evidence on which the agency relies and the"

Page 4, line 23, delete everything after "(2)"

Page 4, delete line 24

Page 4, line 25, delete everything before "to"

Page 4, line 27, delete "(4)" and insert "(3)"

Page 4, line 31, delete "(5)" and insert "(4)"

Page 4, line 34, delete "(6)" and insert "(5)"

Page 4, line 36, delete "(7)" and insert "(6)"

Page 5, line 2, delete "(8)" and insert "(7)"

Page 5, line 24, delete everything after "department" and insert "and shall be served and enforced as provided in section 357.22 and the Minnesota Rules of Civil Procedure."

Page 5, delete lines 25 and 26

Page 5, line 27, delete "(c)"

Page 6, line 4, delete "participant" and insert "person"

Page 6, line 23, after the period, insert "Hearings under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), and (9), must be conducted in the county where the determination was made, unless an alternate location is mutually agreed upon before the hearing."

Page 7, line 34, delete "providing a Tennessee warning as"

Page 7, delete line 35

Page 7, line 36, delete "shall describe" and insert "describing"

Page 9, line 7, before the period, insert ", but not constitutional claims beyond the jurisdiction of the fair hearing"

Page 10, line 8, delete everything after "identify" and insert "and develop in the"

Page 10, line 23, after "involved" insert "and the agency"

Page 12, line 33, delete ". A person" and insert "and"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 913: A bill for an act relating to health; establishing qualified eligibility clearinghouses to provide eligibility data to health care providers; proposing coding for new law in Minnesota Statutes, chapter 62J.

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

Page 1, line 14, delete "means" and insert "is limited to"

Page 1, line 21, before the semicolon, insert ", if the individual has employer-sponsored health coverage"

Page 1, line 22, before the semicolon, insert ", if the spouse is covered by the policy"

Page 1, line 23, before the semicolon, insert ", if covered by the policy"

Page 1, after line 25, insert:

"(11) individual identification number;"

Page 2, line 1, delete "(11)" and insert "(12)"

Page 2, line 2, delete "(12)" and insert "(13)"

Page 2, line 4, delete "(13)" and insert "(14)"

Page 2, after line 4, insert:

"No medical or health data may be collected."

Page 2, delete lines 5 to 8

Page 2, line 9, delete everything before "Clauses"

Page 3, line 10, before the semicolon, insert "and section 144.335"

Page 3, line 35, before "database" insert "eligibility information"

Page 4, line 9, before "database" insert "eligibility information"

Page 4, delete lines 23 to 35 and insert:

"Subd. 6. [PRIVACY OF DATA.] (a) Data collected or received by a qualified eligibility clearinghouse that identify or can be used to identify a covered individual or patient may be used and released only for purposes of subdivision 5. Upon request and appropriate verification of identity, the data must be released to the subject of the data. Further use or release of the data is prohibited. A qualified eligibility clearinghouse that uses or releases data in violation of this paragraph is liable to the subject of the data for damages plus costs and reasonable attorney fees.

(b) Data collected or received by a provider from a qualified eligibility clearinghouse are considered part of a patient's health record for purposes of section 144.335.

(c) Data collected or received by a qualified eligibility clearinghouse or by a provider under this section must be exchanged and maintained in compliance with the federal Health Insurance Portability and Accountability Act of 1996 and regulations adopted under that act."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 354: A bill for an act relating to cities; authorizing a city to collect unpaid emergency service charges by special assessment; proposing coding for new law in Minnesota Statutes, chapter 415.

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 2002, section 415.01, is amended to read:

415.01 [TOWN LAWS, APPLICATION; EXERCISE OF POWERS BY CITY.]

~~Nothing contained~~ Subdivision 1. [GENERAL.] A town must not exercise the powers conferred in chapters 365 to 368 ~~shall apply to~~ within the territory embraced within the limits of any city, but each a city shall ~~have~~ has and may exercise within its limits all any of the powers conferred by these chapters upon towns.

Subd. 2. [CHARGES FOR EMERGENCY SERVICES.] A city may exercise the power under sections 366.011 and 366.012 relating to charges for emergency services only if the city adopts an ordinance authorizing the manner and amount of charging for those services."

Delete the title and insert:

"A bill for an act relating to cities; specifying and clarifying the authority of cities to exercise certain town powers and to impose service charges for emergency services; amending Minnesota Statutes 2002, section 415.01."

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

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 1306: A bill for an act relating to crime; creating a sanctions conference procedure to allow probation officers to impose, with district court confirmation, probation sanctions for technical violations of probation; requesting the chief judge of each judicial district to develop procedures for sanctions conferences and a sanctions conference form; amending Minnesota Statutes 2002, sections 243.05, subdivision 1; 609.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 243; 244; 401; repealing Minnesota Statutes 2002, sections 244.19, subdivision 3a; 401.02, subdivision 5.

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

Pages 1 to 7, delete sections 1 to 5

Pages 10 to 13, delete sections 10 to 13

Page 13, delete lines 33 to 36 and insert "probation officers may impose community work service for an offender's or probation violation sanctions, consistent with section 243.05, subdivision 1; ~~244.19, subdivision 3a; or~~ 401.02, subdivision 5; or sections 244.196 to 244.199."

Page 14, delete line 1

Page 14, line 20, delete "commissioner of corrections and each"

Page 14, line 23, after "in" insert "Minnesota Statutes," and delete "2 to 13" and insert "244.196 to 244.199,"

Page 16, line 2, delete "sections" and insert "section" and delete the semicolon and insert ", is repealed."

Page 16, delete line 3

Page 16, line 5, delete "16" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "allow" insert "certain"

Page 1, line 5, delete everything after the semicolon

Page 1, delete lines 6 to 13 and insert "requiring the chief executive officer of a local corrections agency to develop procedures for sanctions conferences and a sanctions conference form; amending Minnesota Statutes 2002, section 609.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 244; repealing Minnesota Statutes 2002, section 244.19, subdivision 3a."

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

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 1140: A bill for an act relating to crime prevention; prohibiting children under the age of 17 from possessing certain video games; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Page 1, line 13, delete "possesses, rents," and insert "rents"

Page 1, line 14, before the period, insert "and is subject to a fine of not more than \$25"

Amend the title as follows:

Page 1, line 3, delete "possessing" and insert "renting or purchasing"

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

Senator Vickerman from the Committee on State and Local Government Operations, to which was re-referred

S.F. No. 503: A bill for an act relating to the environment; modifying provisions relating to individual sewage treatment systems; appropriating money; amending Minnesota Statutes 2002, sections 17.117, subdivisions 5a, 10, 11, 13; 115.01, by adding a subdivision; 115.55, subdivision 1, by adding subdivisions; 115.56, subdivisions 2, 4; 116P.04, subdivision 3; 116P.12, subdivision 1; 475.52, subdivisions 3, 4; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 2002, section 115.55, subdivision 6.

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 2002, section 115.56, subdivision 4, is amended to read:

Subd. 4. [LICENSE FEE.] The fee for a license required under subdivision 2 is ~~\$100~~ \$200 per year. The maximum total for multiple licenses is \$500. Revenue from the fees must be credited to the environmental fund.

Sec. 2. [ADVISORY GROUP REPORT.]

(a) The commissioner of the pollution control agency shall appoint and convene an advisory group consisting of:

- (1) two county representatives;
- (2) one city representative;
- (3) one township representative;
- (4) one representative of a lake association;
- (5) one homeowner with a septic system;
- (6) one licensed pumper;
- (7) one licensed inspector;
- (8) two environmental group representatives; and

(9) one representative each from the pollution control agency, the department of health, the department of agriculture, metropolitan council, and the public facilities authority.

(b) The advisory group shall develop and report back to the legislature by November 15, 2003, with a plan to:

(1) locate individual sewage treatment systems that are imminent threats to public health and safety and those with less than two feet of soil separation by July 1, 2005;

(2) upgrade systems identified in clause (1) by July 1, 2010; and

(3) ensure compliance with individual sewage treatment system maintenance requirements of Minnesota Rules, part 7080.0175.

(c) The plan must include funding mechanisms for paragraph (b), clauses (1) to (3), and shall recommend enhanced funding mechanisms for low interest loans to homeowners for individual sewage treatment system upgrades or connections to a municipal sewage treatment system.

(d) The task force expires upon the submission of its report.

Sec. 3. [APPROPRIATION.]

\$500,000 is appropriated from the environmental fund to the commissioner of the pollution control agency for new technology review, local training, program planning, enforcement, and planning and reporting responsibilities under this act.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective July 1, 2003."

Delete the title and insert:

"A bill for an act relating to the environment; increasing the license fee for individual sewage treatment system professionals; establishing a task force; appropriating money; amending Minnesota Statutes 2002, section 115.56, subdivision 4."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 1063: A bill for an act relating to state government; modifying expiration dates for advisory committees; amending Minnesota Statutes 2002, sections 11A.08, subdivision 4; 15.059, subdivision 5; 16B.053; 16B.181, subdivision 2; 16B.27, subdivision 3; 16B.76, subdivision 1; 16C.17, subdivision 2; 17.136; 18B.305, subdivision 3; 21.112, subdivision 2; 31.95, subdivision 3a; 43A.318, subdivision 1; 79A.02, subdivision 1; 115.41, subdivision 1; 115.42; 115.43, subdivision 2; 115.44, subdivision 2; 115.45, subdivision 1; 115.50; 115.52; 115.53; 115A.072, subdivision 1; 115A.12; 115A.9651, subdivisions 2, 8, 9, 11; 119A.35, subdivision 1; 124D.10, subdivision 2a; 124D.84, subdivision 2; 124D.892, subdivision 3; 134.31, by adding a subdivision; 147B.05, subdivision 2; 147C.35, subdivision 2; 147D.25, subdivision 2; 155A.06, subdivision 5; 175.008; 178.02, subdivision 2; 182.656, subdivision 3; 242.56, subdivision 1; 256.482, subdivision 8; 256B.093, subdivision 1; 326.841; 611A.02, subdivisions 2, 3; 611A.07, subdivision 1; 611A.32, subdivision 2; 611A.33; 611A.35; 611A.36, subdivision 1; 611A.55; 629.342, subdivision 2; repealing Minnesota Statutes 2002, sections 16B.055; 43A.317, subdivision 4; 43A.318, subdivision 3; 62J.15, subdivision 1; 62J.692, subdivision 2; 82B.02, subdivision 6; 82B.05; 82B.06; 84.0887, subdivision 4; 115.54; 115A.9651, subdivision 5; 119A.42, subdivision 4; 124D.80; 136A.031, subdivision 5; 145A.16; 161.1419, subdivision 8; 174.55; 176.102, subdivision 3; 242.56, subdivision 3; 245.71, subdivision 2; 252.282, subdivision 4; 254A.04; 256B.0629; 256B.55, subdivision 5; 268.361, subdivision 3; 268.363; 299A.293; 326.41; 326.85; 611A.201, subdivision 3; 611A.202; 611A.25; 611A.34; 611A.345; 611A.361; 611A.675; 611A.70; 611A.71; 626.8441, subdivision 2; 626.9513; Laws 2001 First Special Session chapter 3, article 4, section 2.

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

Pages 1 and 2, delete section 1

Page 22, after line 2, insert:

"Sec. 39. Minnesota Statutes 2002, section 214.32, subdivision 1, is amended to read:

Subdivision 1. [MANAGEMENT.] (a) A health professionals services program committee is established, consisting of one person appointed by each participating board, with each participating board having one vote. The committee shall designate one board to provide administrative management of the program, set the program budget and the pro rata share of program expenses to be borne by each participating board, provide guidance on the general operation of the program, including hiring of program personnel, and ensure that the program's direction is in accord with its authority. If the participating boards change which board is designated to provide administrative management of the program, any appropriation remaining for the program shall transfer to the newly designated board on the effective date of the change. The participating boards must inform the appropriate legislative committees and the commissioner of finance of any change in the administrative management of the program, and the amount of any appropriation transferred under this provision.

(b) The designated board, upon recommendation of the health professional services program committee, shall hire the program manager and employees and pay expenses of the program from funds appropriated for that purpose. The designated board may apply for grants to pay program expenses and may enter into contracts on behalf of the program to carry out the purposes of the program. The participating boards shall enter into written agreements with the designated board.

(c) An advisory committee is established to advise the program committee consisting of:

(1) one member appointed by each of the following: the Minnesota Academy of Physician Assistants, the Minnesota Dental Association, the Minnesota Chiropractic Association, the Minnesota Licensed Practical Nurse Association, the Minnesota Medical Association, the Minnesota Nurses Association, and the Minnesota Podiatric Medicine Association;

(2) one member appointed by each of the professional associations of the other professions regulated by a participating board not specified in clause (1); and

(3) two public members, as defined by section 214.02.

Members of the advisory committee shall be appointed for two years and members may be reappointed.

~~The advisory committee expires June 30, 2003."~~

Page 22, after line 13, insert:

"Sec. 41. Minnesota Statutes 2002, section 254A.04, is amended to read:

254A.04 [CITIZENS ADVISORY COUNCIL.]

There is hereby created an alcohol and other drug abuse advisory council to advise the department of human services concerning the problems of alcohol and other drug dependency and abuse, composed of ten members. Five members shall be individuals whose interests or training are in the field of alcohol dependency and abuse; and five members whose interests or training are in the field of dependency and abuse of drugs other than alcohol. The terms, compensation and removal of members shall be as provided in section 15.059. ~~The council expires June 30, 2001.~~ The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years."

Page 28, after line 14, insert:

"Sec. 53. Minnesota Statutes 2002, section 611A.675, is amended to read:

611A.675 [FUND FOR EMERGENCY NEEDS OF CRIME VICTIMS.]

Subdivision 1. [GRANTS AUTHORIZED.] ~~The crime victim and witness advisory council commissioner of public safety shall make grants to prosecutors and victim assistance programs for the purpose of providing emergency assistance to victims. As used in this section, "emergency assistance" includes but is not limited to:~~

- (1) replacement of necessary property that was lost, damaged, or stolen as a result of the crime;
- (2) purchase and installation of necessary home security devices;
- (3) transportation to locations related to the victim's needs as a victim, such as medical facilities and facilities of the criminal justice system;
- (4) cleanup of the crime scene; and
- (5) reimbursement for reasonable travel and living expenses the victim incurred to attend court proceedings that were held at a location other than the place where the crime occurred due to a change of venue.

Subd. 2. [APPLICATION FOR GRANTS.] A city or county attorney's office or victim assistance program may apply to the ~~council~~ commissioner for a grant for any of the purposes described in subdivision 1 or for any other emergency assistance purpose approved by the council. The application must be on forms and pursuant to procedures developed by the ~~council~~ commissioner. The application must describe the type or types of intended emergency assistance, estimate the amount of money required, and include any other information deemed necessary by the ~~council~~ commissioner.

Subd. 3. [REPORTING BY LOCAL AGENCIES REQUIRED.] A city or county attorney's office or victim assistance program that receives a grant under this section shall file an annual report with the ~~council~~ commissioner itemizing the expenditures made during the preceding year, the purpose of those expenditures, and the ultimate disposition, if any, of each assisted victim's criminal case.

Subd. 4. [REPORT TO LEGISLATURE.] ~~On or before February 1, 1999, the council shall~~

~~report to the chairs of the senate crime prevention and house of representatives judiciary committees on the implementation, use, and administration of the grant program created under this section."~~

Page 29, line 10, after "16B.055" insert ", subdivision 3" and after the semicolon, insert "28A.20, subdivision 6;"

Page 29, line 16, delete "245.71, subdivision 2;"

Page 29, line 17, delete "254A.04;"

Page 29, line 20, delete "611A.675;"

Page 29, line 24, delete "53" and insert "55"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "11A.08, subdivision 4;"

Page 1, line 19, after "3;" insert "214.32, subdivision 1;" and after "1;" insert "254A.04;"

Page 1, line 23, after the third semicolon, insert "611A.675;"

Page 1, line 25, after "16B.055" insert ", subdivision 3" and after the first semicolon, insert "28A.20, subdivision 6;"

Page 1, line 32, delete "245.71, subdivision 2;"

Page 1, line 33, delete "254A.04;"

Page 1, line 36, delete "611A.675;"

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

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 190: A bill for an act relating to retirement; modifying the Hennepin county supplemental retirement plan to allow the county administrator to approve certain participant requests; amending Minnesota Statutes 2002, sections 383B.49; 383B.493.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

HENNEPIN COUNTY SUPPLEMENTAL
RETIREMENT PROGRAM CHANGES

Section 1. Minnesota Statutes 2002, section 383B.49, is amended to read:

383B.49 [SUPPLEMENTAL RETIREMENT BENEFITS; REDEMPTION OF SHARES.]

When requested to do so, in writing, on forms provided by the county, by a participant, surviving spouse, a guardian of a surviving child or a personal representative, whichever is applicable, the county of Hennepin shall redeem shares in the accounts of the Minnesota supplemental investment fund standing in a participant's share account record under the following circumstances and in accordance with the laws and regulations governing the Minnesota supplemental investment fund:

(1) A participant who is no longer employed by the county of Hennepin is entitled to receive the cash realized on the redemption of the shares to the credit of the participant's share account record of the person. The participant may request the redemption of all or a portion of the shares in the participant's share account record of the person, but may not request more than one redemption in any one calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed the person may request to redeem not less than 20 percent of the shares in any one calendar year and the redemption must be completed in no more than five years. An election is irrevocable except that a participant may request an amendment of the election to redeem all of the person's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county ~~board~~ administrator, in its sole discretion of the administrator.

(2) In the event of the death of a participant leaving a surviving spouse, the surviving spouse is entitled to receive the cash realized on the redemption of all or a portion of the shares in the participant's share account record of the deceased spouse, but in no event may the spouse request more than one redemption in each calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed, the surviving spouse may request the redemption of not less than 20 percent of the shares in any one calendar year. Redemption must be completed in no more than five years. An election is irrevocable except that the surviving spouse may request an amendment of the election to redeem all of the participant's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county ~~board~~ administrator, in its sole discretion of the administrator. Upon the death of the surviving spouse, any shares remaining in the participant's share account record must be redeemed by the county of Hennepin and the cash realized from the redemption distributed to the estate of the surviving spouse.

(3) In the event of the death of a participant leaving no surviving spouse, but leaving a minor surviving child or minor surviving children, the guardianship estate of the minor child is, or the guardianship estates of the minor children are, entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant. In the event of minor surviving children, the cash realized must be paid in equal shares to the guardianship estates of the minor surviving children.

(4) In the event of the death of a participant leaving no surviving spouse and no minor surviving children, the estate of the deceased participant is entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant.

Sec. 2. Minnesota Statutes 2002, section 383B.493, is amended to read:

383B.493 [WITHDRAWAL FROM PARTICIPATION.]

Notwithstanding Laws 1982, chapter 450, or any other law to the contrary, a Hennepin county employee participating in the Hennepin county supplemental retirement program pursuant to Laws 1982, chapter 450 may, in the event of an unforeseeable emergency, apply to the county to discontinue participation in the program. Employees who are no longer participating in the program may apply for the redemption of all shares credited to their share account record. Applications are subject to approval of the Hennepin county ~~board of commissioners~~ administrator in its sole discretion of the administrator. For the purposes of this section, the term "unforeseeable emergency" shall mean a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant or a person dependent upon the participant, loss of participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. Applications based on foreseeable expenditures normally budgetable shall not be approved. A participant exercising the option provided by this section shall be ineligible for further participation in the supplemental retirement program.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective upon approval by the Hennepin county board of commissioners and compliance with Minnesota Statutes, section 645.021.

ARTICLE 2
MINNEAPOLIS FIRE RELIEF
ASSOCIATION CHANGES

Section 1. Minnesota Statutes 2002, section 423C.03, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION OF OFFICERS AND BOARD MEMBERS.] Notwithstanding any other law to the contrary, the association may provide for payment of the following salaries to its officers and board members:

(1) the executive secretary may receive a salary not exceeding ~~30~~ 50 percent of the maximum salary of a first grade firefighter;

(2) the president may receive a salary not exceeding ten percent of the maximum salary of a first grade firefighter; and

(3) all other elected members of the board may receive a salary not exceeding 2.5 percent of the maximum salary of a first grade firefighter.

Sec. 2. [EFFECTIVE DATE.]

(a) The board of the Minneapolis firefighters relief association may increase the salary of the executive secretary subject to the maximum set forth in section 1.

(b) Any salary increase under paragraph (a) may be effective on September 1, 2002, or any time thereafter as designated by the relief association board."

Delete the title and insert:

"A bill for an act relating to retirement; Hennepin county supplemental retirement program; Minneapolis firefighters relief association; allowing the county administrator to approve certain participant requests; providing for an increase in the compensation for the executive secretary of the Minneapolis firefighters relief association; amending Minnesota Statutes 2002, sections 383B.49; 383B.493; 423C.03, subdivision 3."

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

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was re-referred

S.F. No. 515: A bill for an act relating to criminal justice; expanding permitted uses of funds in automobile theft prevention special revenue account; modifying structure of financial crimes task force and modifying related policies; repealing sunset provision; making clarifying changes; amending Minnesota Statutes 2002, sections 168A.40; 299A.68; 299A.75, subdivisions 1, 3.

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

Pages 1 and 2, delete section 1

Page 5, line 17, delete "shall" and insert ", as funding permits, may"

Page 6, delete lines 15 and 16 and insert "advisory board shall oversee and select a fiscal agent qualified to handle financial accounting of task force funding. The task force shall be assigned an originating reporting number for case tracking and reporting purposes."

Page 7, line 5, delete "may" and insert "shall" and after "transfer" insert "all"

Page 7, line 6, delete "the fraud and theft prevention special revenue account" and insert "financial contributions and grants designated to the task force"

Page 7, line 14, strike "June 30, 2002" and insert "July 1, 2003"

Page 7, delete lines 27 and 28 and insert:

"Subd. 11. [EXPIRATION TASK FORCE IS PERMANENT.] This section expires on June 30, 2003 Notwithstanding section 15.059, this section does not expire."

Page 7, line 30, delete everything after "source" and insert "or legal business or entity."

Page 7, delete lines 31 to 36

Page 8, delete lines 1 to 3

Pages 8 to 10, delete sections 3 and 4

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to criminal justice; modifying structure of financial crimes task force and modifying related policies; repealing sunset provision; amending Minnesota Statutes 2002, section 299A.68."

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

Senator Marty from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 841: A bill for an act relating to natural resources; requiring the commissioner of natural resources to enter into an agreement for local management of the Rush river wayside unit of the Minnesota Valley state recreation area.

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

Delete everything after the enacting clause and insert:

"Section 1. [DELETIONS FROM MINNESOTA VALLEY STATE RECREATION AREA.]

[85.013] [Subd. 17a.] [MINNESOTA VALLEY STATE RECREATION AREA; SIBLEY COUNTY.] The following areas are deleted from the Minnesota Valley state recreation area, Sibley county:

(1) Tract 43 (Sibley County to the State of Minnesota; 160 acres, more or less) Southeast Quarter (SE1/4) of Section Fifteen (15), Township One Hundred Twelve (112) North, of Range Twenty-Six (26) West;

(2) Tract 89 (Nagel to the State of Minnesota; 45.7 acres, more or less) The West One-half of the Northeast Quarter of the Northwest Quarter (W1/2 NE1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West;

(3) The South One-half of the North One-half of the Northeast Quarter (S1/2 N1/2 NE1/4), except the East 960 feet thereof, Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West;

(4) Tract 90 (Nagel to the State of Minnesota; 20 acres, more or less) The East One-half of the Northeast Quarter of the Northwest Quarter (E1/2 NE1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West; and

(5) Tract 91 (Nagel to the State of Minnesota; 60 acres, more or less) Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4), Section Fourteen (14), Township One Hundred Twelve (112) North, Range Twenty-six (26) West, and the East One-half of the Northwest Quarter of the Northwest Quarter (E1/2 NW1/4 NW1/4), Section Twenty-three (23), Township One Hundred Twelve (112) North, Range Twenty-six (26) West, containing 60 acres, more or less.

Sec. 2. [CONVEYANCE OF LAND; SIBLEY COUNTY.]

(a) The commissioner of natural resources shall convey to Sibley county for no consideration the lands described in section 1, upon receipt of a resolution requesting the conveyance from Sibley county. If Sibley county declines the conveyance, the commissioner may convey the lands to the city of Henderson, upon receipt of a resolution requesting the conveyance.

(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the owner does not keep it open to the general public, provided that the owner may manage the land in the manner it deems appropriate, including charging a fee for use of the land or certain services, and contracting with a private nonprofit organization for management of the park.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following receipt of a resolution accepting the conveyance under section 2, paragraph (a). Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "requiring the" and insert "deleting from the Minnesota Valley state recreation area; conveying land in Sibley county to a local unit of government for the use of the general public."

Page 1, delete lines 3 to 6

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Marty from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 857: A bill for an act relating to lake improvement districts; changing the percent of property owners necessary to petition for creation and termination of a district and for holding a referendum on creation; amending Minnesota Statutes 2002, sections 103B.521, subdivision 1; 103B.545, subdivision 1; 103B.581, subdivision 1.

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

Page 1, line 26, delete "51" and strike "percent" and insert "a majority"

Page 2, delete section 2

Page 2, line 32, delete "51" and strike "percent" and insert "a majority"

Page 3, line 1, delete "to 3" and insert "and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after "district"

Page 1, line 5, delete everything before the semicolon

Page 1, lines 6 and 7, delete "103B.545, subdivision 1;"

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

Senator Marty from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 680: A bill for an act relating to agriculture; prohibiting registration of certain fertilizers; amending Minnesota Statutes 2002, section 18C.401, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Agriculture, General Legislation and Veterans Affairs. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 389: A bill for an act relating to crimes; establishing staggered sentencing program for DWI offenders; modifying other DWI-related provisions; amending Minnesota Statutes 2002, sections 169A.03, subdivision 21, by adding a subdivision; 169A.20, subdivision 2; 169A.275, subdivisions 3, 4, by adding a subdivision; 169A.40, subdivision 3; 169A.44; 169A.51, subdivision 5; 169A.54, subdivision 6; 169A.60, subdivisions 8, 13; 169A.63, subdivision 1; 609.135, subdivision 2; 629.471, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169A.

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

Page 2, line 30, delete "26" and insert "5a"

Page 4, line 21, delete "[STAGGERED SENTENCING DEFINED.]" and insert "[DEFINITIONS.] (a)"

Page 4, line 22, after the comma, insert "the following terms have the meanings given.
(b)"

Page 4, line 24, after "169A.20" insert "(driving while impaired)"

Page 4, line 25, delete "jail" and insert "correctional facility"

Page 4, line 28, after "offender" insert "shall be regularly involved in a structured sobriety group and"

Page 4, line 34, after the period, insert "It is within the court's discretion to stay the second or subsequent segment of remote electronic alcohol monitoring or incarceration that has previously been ordered." and delete "those" and insert "any"

Page 5, line 2, before "incarceration" insert "remote electronic alcohol monitoring or"

Page 5, after line 8, insert:

"(c) A "structured sobriety group" is an organization that has regular meetings focusing on sobriety and includes, but is not limited to, Alcoholics Anonymous."

Page 5, delete line 36

Page 6, delete lines 1 to 36

Page 7, delete lines 1 to 11 and insert:

"Subdivision 1. [NONFELONY VIOLATIONS.] (a) This section subdivision applies to a person charged with:

(1) a nonfelony violation of section 169A.20 (driving while impaired) ~~within ten years of the first of two or more prior impaired driving convictions;~~

(2) a ~~violation of section 169A.20, if the person is under the age of 19 years and has previously been convicted of violating section 169A.20 or Minnesota Statutes 1998, section 169.121 (driver under the influence of alcohol or controlled substance);~~

~~(3) a violation of section 169A.20, while the person's driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (10) (persons not eligible for drivers' licenses, inimical to public safety); or~~

~~(4) a violation of section 169A.20 by a person having an alcohol concentration of 0.20 or more as measured at the time, or within two hours of the time, of the offense under circumstances described in section 169A.40, subdivision 3 (certain DWI offenders; custodial arrest).~~

(b) Unless maximum bail is imposed under section 629.471, a person described in paragraph (a) may be released from detention only if the person agrees to:

(1) abstain from alcohol; and

(2) submit to a program of electronic alcohol monitoring, involving at least daily measurements of the person's alcohol concentration, pending resolution of the charge.

Clause (2) applies only when electronic alcohol-monitoring equipment is available to the court. The court shall require partial or total reimbursement from the person for the cost of the electronic alcohol-monitoring, to the extent the person is able to pay.

~~(c) Unless maximum bail is imposed under section 629.471, subdivision 2,~~

Subd. 2. [FELONY VIOLATIONS.] (a) A person charged with violating section 169A.20 within ten years of the first of three or more prior impaired driving convictions may be released from detention only if the following conditions are imposed ~~in addition to the condition imposed:~~

~~(1) the conditions described in subdivision 1, paragraph (b), if applicable, and any other conditions of release ordered by the court;~~

~~(2) the impoundment of the registration plates of the vehicle used to commit the violation, unless already impounded;~~

~~(3) if the vehicle used to commit the violation was an off-road recreational vehicle or a motorboat, the impoundment of the off-road recreational vehicle or motorboat;~~

~~(4) a requirement that the person report weekly to a probation agent;~~

~~(5) a requirement that the person abstain from consumption of alcohol and controlled substances and submit to random alcohol tests or urine analyses at least weekly; and~~

~~(6) a requirement that, if convicted, the person reimburse the court or county for the total cost of these services; and~~

~~(7) any other conditions of release ordered by the court.~~

(b) In addition to setting forth conditions of release under paragraph (a), if required by court rule, the court shall also fix the amount of money bail without other conditions upon which the defendant may obtain release.

Page 11, line 13, before the semicolon, insert "if one of the aggravating factors is a qualified prior impaired driving incident"

Page 11, delete lines 23 to 25

Page 12, delete lines 13 and 14

Page 13, after line 36, insert:

"Sec. 17. [EFFECTIVE DATE.]

Sections 1 to 16 are effective August 1, 2003, and apply to violations committed on or after that date."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Kelley from the Committee on Education, to which was referred

S.F. No. 639: A bill for an act relating to education; repealing the profile of learning; setting state standards for educational excellence; providing educational accountability; requiring legislative approval; repealing portions of Minnesota Rules, chapter 3501; amending Minnesota Statutes 2002, section 120B.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 120B.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

REPEAL OF PROFILE OF LEARNING; STATEWIDE ACCOUNTABILITY

Section 1. [120B.001] [REPEALING PROFILE OF LEARNING STATUTES AND RULES.]

Notwithstanding sections 120B.02, 120B.30, 120B.31, and 120B.35, or other law to the contrary, the commissioner of children, families, and learning must not implement the profile of learning portion of the state's results-oriented graduation rule.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2003-2004 school year and later.

Sec. 2. [120B.0012] [STANDARDS AND TIMELINE ESTABLISHED.]

(a) The commissioner, consistent with the requirements of this section and sections 120B.0013 and 120B.0014, must adopt statewide rules using the expedited rulemaking process under section 14.389 that establish a set of educational standards. After the rules authorized under this paragraph are initially adopted, the commissioner may not amend or repeal these rules nor adopt new rules on the same topic without specific legislative authorization. These standards must be implemented for all students beginning in the 2003-2004 school year.

(b) The following learning areas are required for statewide accountability:

(1) read, listen, and view;

(2) write and speak;

(3) mathematical concepts and applications;

(4) scientific concepts and applications;

(5) social sciences, including history, geography, economics, and civics; and

(6) arts and literature.

The standards apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education plan team has determined that the required standards are inappropriate. An individualized education plan team that makes this determination must establish alternative standards.

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

Sec. 3. [120B.0013] [REQUIRED AND OPTIONAL STANDARDS.]

(a) Minnesota's high educational standards encompass the six content areas required for statewide accountability in section 120B.0012, paragraph (b).

(b) For purposes of complying with applicable federal law, the commissioner shall establish grade level benchmarks in at least the reading, mathematics, and science learning areas.

(c) A district may adopt state standards or establish its own standards in foreign language, career and technical education, and physical education.

(d) The state standards must be supplemented by grade level benchmarks, curriculum framework, and test specification documents useful to state and local decision makers charged with determining appropriate curriculum, staff development activities, and assessment programs.

(e) If a statewide assessment is not provided, a classroom assessment determined by the classroom teacher or the local school board must be used to assess if a student has met a standard.

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

Sec. 4. [120B.0014] [STATEWIDE AND LOCAL ASSESSMENTS; RESULTS.]

(a) The commissioner must develop assessments for all of the required learning areas using state-constructed tests that are developed from and aligned with the standards, are designed to monitor student growth toward and achievement of those standards, consistent with section 120B.35, and satisfy applicable federal law. At a minimum, the commissioner must require:

(1) annual reading and mathematics assessments in grades 3 through 8 and in one high school grade for the 2005-2006 school year and later;

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 9 span, and the grades 10 through 12 span for the 2006-2007 school year and later;

(3) annual social sciences assessments in one grade in the grades 3 through 5 span, the grades 6 through 9 span, and the grades 10 through 12 span for the 2007-2008 school year and later; and

(4) annual arts and literature assessments in one grade in the grades 3 through 5 span, the grades 6 through 9 span, and the grades 10 through 12 span for the 2008-2009 school year and later.

(b) The assessments must:

(1) provide timely, useful, and understandable information for and about the performance of individual students, schools, school districts, and the state, consistent with sections 120B.36 and 120B.364, and expect that educators use the information, and other information, to plan instruction for the next school year and to develop school improvement plans, including plans required under applicable federal law;

(2) include a growth scale useful under sections 120B.30, 120B.31, 120B.35, and 120B.36, for analyzing value-added and student-level growth over time;

(3) include state and national percentile ranks in information reported to students and parents under section 120B.364; and

(4) determine whether students have met the state's basic skills requirements in reading and mathematics.

(c) Consistent with applicable federal law and sections 120B.30, subdivision 1, paragraph (d), clause (1), and 120B.36, subdivision 6, clauses (2) and (3), the commissioner must include alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for students with limited English proficiency.

(d) Schools, school districts, and charter schools must administer statewide assessments under this section that use student performance to evaluate student progress in achieving high standards in all of the required learning areas as the assessments become available. If state assessment is not available, schools, school districts, and charter schools are responsible for determining if a student has met state standards. Schools, school districts, and charter schools may base grade promotions and the awarding of high school course credits on students' success in achieving high standards.

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

Sec. 5. Minnesota Statutes 2002, section 120B.02, is amended to read:

120B.02 ~~[RESULTS-ORIENTED GRADUATION RULE; BASIC SKILLS REQUIREMENTS; PROFILE OF LEARNING.]~~

(a) ~~The legislature is committed to establishing a rigorous, results-oriented graduation rule for Minnesota's public school students. To that end, the commissioner shall use its rulemaking authority under section 127A.05, subdivision 4, to adopt in rule a statewide, results-oriented graduation rule to be implemented starting with students beginning ninth grade in the 1996-1997 school year. The commissioner shall not prescribe in rule or otherwise the delivery system, classroom assessments, or form of instruction that school sites must use to meet the requirements contained in this rule. For purposes of this chapter, a school site is a separate facility, or a separate program within a facility that a local school board recognizes as a school site for funding purposes.~~

~~(b) To successfully accomplish paragraph (a), the commissioner shall set in rule high academic standards for all students. The standards must contain the foundational skills in the three core curricular areas of reading, writing, and mathematics while meeting requirements for high school graduation. The standards must also provide an opportunity for students to excel by meeting higher academic standards through a profile of learning that uses curricular requirements to allow students to expand their knowledge and skills beyond the foundational skills. All commissioner actions regarding the rule must be premised on the following:~~

~~(1) the rule is intended to raise academic expectations for students, teachers, and schools;~~

~~(2) any state action regarding the rule must evidence consideration of school district autonomy; and~~

~~(3) the department of children, families, and learning, with the assistance of school districts, must make available information about all state initiatives related to the rule to students and parents, teachers, and the general public in a timely format that is appropriate, comprehensive, and readily understandable.~~

~~(c) For purposes of adopting the rule, the commissioner, in consultation with the department, recognized psychometric experts in assessment, and other interested and knowledgeable educators, using the most current version of professional standards for educational testing, shall evaluate the alternative approaches to assessment.~~

~~(d) The content of the graduation rule must differentiate between include minimum competencies reflected in the basic requirements assessment and rigorous profile of learning standards. When fully implemented, the requirements for high school graduation in Minnesota must include both basic requirements and the required profile of learning. The profile of learning must measure student performance using performance-based assessments compiled over time that integrate higher academic standards, higher order thinking skills, and application of knowledge from a variety of content areas. The profile of learning shall include a broad range of academic experience and accomplishment necessary to achieve the goal of preparing students to function effectively as purposeful thinkers, effective communicators, self-directed learners, productive group participants, and responsible citizens coursework requirements that meet state required standards established by a local school board. School districts shall certify whether students meet state standards using local assessments, including student portfolios, if a statewide assessment is not available.~~

~~(e) The profile of learning contains the following learning areas:~~

~~(1) read, listen, and view;~~

~~(2) write and speak;~~

~~(3) arts and literature;~~

- ~~(4) mathematical concepts and applications;~~
- ~~(5) inquiry and research;~~
- ~~(6) scientific concepts and applications;~~
- ~~(7) social studies;~~
- ~~(8) physical education and lifetime fitness;~~
- ~~(9) economics and business;~~
- ~~(10) world languages; and~~
- ~~(11) technical and vocational education.~~

~~(f) The commissioner shall periodically review and report on the assessment process and student achievement with the expectation of raising the standards and expanding high school graduation requirements.~~

~~(g) Beginning August 31, 2000, the commissioner must publish, including in electronic format for the Internet, a report, by school site, area learning center, and charter school, of:~~

- ~~(1) the required preparatory content standards;~~
- ~~(2) the high school content standards required for graduation; and~~
- ~~(3) the number of student waivers the district, area learning center, or charter school approves under section 120B.031, subdivisions 4, 5, and 6, based on information each district, area learning center, and charter school provides.~~

~~(h) School districts must integrate required and elective content standards in the scope and sequence of the district curriculum.~~

~~(i) (f) School districts are not required to adopt specific provisions of the Goals 2000 and the federal School-to-Work programs.~~

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

Sec. 6. Minnesota Statutes 2002, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE TESTING.] (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders consistent with sections 120B.0014 and 120B.36, shall include in the comprehensive assessment system, for each grade level to be tested, a test, which shall be state-constructed tests developed from and aligned with the state's graduation standards under section 120B.0012 and administered annually to all students in the third, fifth, seventh, and eighth grades 3 through 8 and at the high school level. A state-developed test in subjects other than writing, developed after the 2002-2003 school year, must include both constructed response and multiple choice questions for students to show their ability to apply the appropriate concepts and knowledge. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. Only Minnesota basic skills tests in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of the state tests in reading and mathematics are the equivalent of:

- (1) 70 percent correct for students entering grade 9 in 1996; and
- (2) 75 percent correct for students entering grade 9 in 1997 and thereafter, as based on the first uniform test administration of February 1998.

(b) ~~The third, fifth, and seventh through eighth grade and high school level test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and~~

curriculum, and for establishing educational accountability. The score of statewide tests taken in grades 9 through 12 must be recorded on the student's transcript. The commissioner must disseminate to the public the third, fifth, and seventh grade test results upon receiving those results.

~~(c) In addition, at the high school level, districts shall assess student performance in all required learning areas and selected required standards within each area of the profile of learning. The testing instruments, State tests must be constructed and aligned with the state standards. The testing process, and the order of administration shall be determined by the commissioner. The statewide results shall be aggregated at the site and district level, consistent with section 120B.0014.~~

~~(d) The commissioner shall report school site and school district student academic achievement levels of the current and two immediately preceding school years. The report shall include students' unweighted mean test scores in each tested subject, the unweighted mean test scores of only those students enrolled in the school by October 1 of the current school year, and the unweighted test scores of all students except those students receiving limited English proficiency instruction. The report also shall record separately, in proximity to the reported performance levels, the percentage of students of each gender and the percentages of students who are eligible to receive a free or reduced price school meal, demonstrate limited English proficiency, are identified as migrant students, are a member of a major ethnic or racial population, or are eligible to receive special education services.~~

~~(e) In addition to the testing and reporting requirements under paragraphs (a), (b), (c), and (d) sections 120B.36 and 120B.364, the commissioner shall include the following components in the statewide public reporting system:~~

~~(1) uniform statewide testing of all third, fifth, seventh, eighth, and post eighth grade students in grades 3 through 8 and at the high school level that provides exemptions, only with parent or guardian approval, for those very few students for whom the student's individual education plan team under sections 125A.05 and 125A.06, determines that the student is incapable of taking a statewide test, or for a limited English proficiency student under section 124D.59, subdivision 2, if the student has been in the United States for fewer than 12 months and for whom special language barriers exist, such as the student's native language does not have a written form or the district does not have access to appropriate interpreter services for the student's native language three years;~~

~~(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;~~

~~(3) students' scores on the American College 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.~~

~~(f) (e) Districts must report exemptions under paragraph (e) (d), clause (1), to the commissioner consistent with a format provided by the commissioner.~~

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2005-2006 school year and later.

Sec. 7. [120B.36] [SCHOOL ACCOUNTABILITY.]

Subdivision 1. [SCHOOL PERFORMANCE MEASURES.] (a) The commissioner, consistent with the requirements under this section and sections 120B.361, 120B.362, 120B.363, and 120B.364, must adopt statewide rules under chapter 14 that establish school and district accountability measures. The commissioner must make available for public review a statement of the need for and reasonableness of each rule consistent with section 14.131. After the rules authorized under this paragraph are initially adopted, the commissioner may not amend or repeal these rules nor adopt new rules on the same topic without specific legislative authorization.

(b) The commissioner must use at least the following seven indicators to measure schools' performance:

- (1) statewide assessment scores in mathematics, reading, and science;
- (2) student attendance rates;
- (3) high school student graduation rates;
- (4) the English proficiency of limited English proficiency students;
- (5) an index of attainment for special education students taking an alternative assessment;
- (6) teacher quality indicators; and
- (7) school safety measures.

(c) The commissioner must use the indicators under paragraph (b), and the definition of adequate yearly progress under section 120B.35, and this section to designate public schools as "superior," "excellent," "meets expectations," "under review," or "low-performing" under section 120B.361. Only those schools that satisfy the definition of adequate yearly progress can be designated as "superior," "excellent," or "meets expectations."

Subd. 2. [LOW-PERFORMING SCHOOLS AND DISTRICTS.] (a) Schools and districts that fail to demonstrate adequate yearly progress for two consecutive school years are designated as "low-performing" schools or districts. Schools and districts fail to make adequate yearly progress for two consecutive school years if:

- (1) the school or district as a whole fails to make adequate yearly progress for two consecutive school years; or
- (2) an identified student subgroup within the school or district fails to make adequate yearly progress for two consecutive school years, where subgroups are defined by limited English proficiency status, special education status, ethnicity, and eligibility for free or reduced price lunch.

(b) A school or district designated as low-performing must meet its adequate yearly progress target for two consecutive school years before the designation is removed. A school or district that meets its adequate yearly progress target for one year after its designation as low-performing remains subject to the sanctions then in effect but receives no added sanctions.

Subd. 3. [STUDENT PARTICIPATION REQUIREMENTS.] Schools with 40 or more students must satisfy the participation requirement under this subdivision to demonstrate adequate yearly progress. A school must administer statewide assessments in mathematics, reading, and science to at least 95 percent of its students enrolled on the day of testing. Schools must count as absent from testing those students who:

- (1) are absent and do not make up the test; or
- (2) withdraw from testing at the request of the student's parent or guardian.

A student who is absent from the testing and the test makeup and has a verifiable medical excuse for the testing and test makeup is not counted as an absent student.

Subd. 4. [ADEQUATE YEARLY PROGRESS COMPONENTS FOR ELEMENTARY AND INTERMEDIATE SCHOOLS.] (a) Elementary and intermediate schools with 20 or more students enrolled for at least one month during the school year must use attendance rates to demonstrate adequate yearly progress. Elementary and intermediate schools with 20 or more students tested must use statewide assessment scores in mathematics, reading, and science to demonstrate adequate yearly progress.

(b) To demonstrate adequate yearly progress using attendance rates, an elementary and intermediate school must:

(1) have a 95 percent average daily attendance rate for the previous school year; or

(2) using the 2002-2003 school year as its base year, demonstrate an annual increase in the average daily attendance rate so that, if the improvement continues at the same rate, the school has a 95 percent average daily attendance rate by the 2013-2014 school year.

(c) To demonstrate adequate yearly progress using students' statewide assessment scores in mathematics, reading, and science, an elementary and intermediate school must meet the annual measurable objective for the school and for every identified student subgroup of 20 or more tested students within the school, based upon the school's proficiency index calculated under subdivision 7.

(d) The commissioner must:

(1) set schools' measurable objective consistent with applicable federal law;

(2) incorporate federal "safe harbor" provisions in all adequate yearly progress determinations that are based upon students' statewide achievement test scores; and

(3) apply confidence intervals to prevent erroneous "low-performing" designations that are due to a small student population within a school or within an identified student subgroup.

Subd. 5. [ADEQUATE YEARLY PROGRESS COMPONENTS FOR HIGH SCHOOLS.] (a) High schools with 20 or more students terminating their education by graduating during the current school year or dropping out during the previous four school years under paragraph (b) must use graduation rates to demonstrate adequate yearly progress. High schools with 20 or more students tested must use statewide assessment scores in mathematics, reading, and science to demonstrate adequate yearly progress.

(b) To demonstrate adequate yearly progress using graduation rates, a high school must:

(1) have an 80 percent graduation rate for the previous school year; or

(2) using the 2002-2003 school year as its base year, demonstrate an annual increase in the graduation rate so that, if improvement continues at the same rate, the school has an 80 percent graduation rate by the 2013-2014 school year.

A school's graduation rate is based on the number of students terminating their education by graduating or dropping out during the four-year period over which the graduation rate is computed using the quasi-cohort method of the National Center on Education Statistics.

(c) To demonstrate adequate yearly progress using students' statewide reading and mathematics assessment scores, a high school must meet the annual measurable objective for the school and for every identified student subgroup of 20 or more tested students within the school based upon the school's proficiency index calculated under subdivision 7.

(d) The commissioner must:

(1) set schools' measurable objective consistent with applicable federal law;

(2) incorporate federal "safe harbor" provisions in all adequate yearly progress determinations that are based upon students' statewide assessment scores in mathematics and reading; and

(3) apply confidence intervals to prevent erroneous "low-performing" designations that are due to a small student population within a school or within an identified student subgroup.

Subd. 6. [PERFORMANCES THAT DETERMINE ADEQUATE YEARLY PROGRESS.] For purposes of the proficiency index of a school or district, adequate yearly progress is determined based on the performances of:

(1) those students enrolled in the school or district for at least one school year, including those students with disabilities taking a standard or accommodated form of the statewide assessment,

and limited English proficiency students taking a standard or accommodated form of the statewide assessment;

(2) the very few students under sections 120B.0012, paragraph (b), and 120B.30, subdivision 1, paragraph (e), clause (1), who take an alternative assessment are included in the accountability system using a separate special education attainment index; and

(3) those students under section 120B.30, subdivision 1, paragraph (d), clause (1), who take the Minnesota test of emerging academic English are included in the accountability system using a separate limited English proficiency attainment index.

Subd. 7. [PROFICIENCY INDEX CALCULATION.] The proficiency index of a school or district equals:

- (1) 100 times the number of students scoring at or above level IIB; plus
- (2) 50 times the number of students scoring in level IIa; divided by
- (3) the total number of students tested.

Consistent with applicable federal law, the proficiency index reaches 100 only if all students in the school or district score at or above level IIB by the 2013-2014 school year.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2005-2006 school year and later.

Sec. 8. [120B.361] [SCHOOL AND DISTRICT DESIGNATIONS.]

Subdivision 1. [UNDER REVIEW; LOW-PERFORMING.] A school or district that fails to meet its adequate yearly progress targets for one school year is designated "under review." A school or district that fails to meet its adequate yearly progress targets for two consecutive school years is designated "low-performing."

Subd. 2. [MEETS EXPECTATIONS.] A school or district is designated as "meets expectations" if it:

- (1) does not qualify for a "superior" or "excellent" designation;
- (2) met its adequate yearly progress targets for each of the last two school years; or
- (3) met its adequate yearly progress targets one school year after being designated "under review."

Subd. 3. [EXCELLENT DESIGNATION.] (a) A school or district is designated "excellent" if it meets its adequate yearly progress target for two consecutive school years and satisfies the criteria described in paragraphs (b) to (f).

(b) All students enrolled at least one school year taking the regular or an accommodated form of statewide assessments:

- (1) received average reading and mathematics scores above 1500;
- (2) showed a mean score improvement rate in reading and mathematics that brings students' scores to 1500 within five school years; or
- (3) showed average reading and mathematics scores exceeding the estimated state average for schools with similar student populations based on the combined percent of tested students who are either eligible for a free or reduced price lunch, have an individualized education plan, or have limited English proficiency.

After two years of statewide annual testing in grades 3 through 8, elementary schools must be designated "excellent" based on value-added, grade-to-grade gains in student achievement,

consistent with section 120B.35, and not based on comparisons of schools with similar student populations under clause (3).

(c) The school has at least a 95 percent average daily attendance rate or improved its average daily attendance rate in each of the last two consecutive school years so that, if improvement continues at the same rate, it has a 95 percent average daily attendance rate within five school years.

(d) A high school has at least a 90 percent graduation rate or improved its graduation rate in each of the last two consecutive school years so that, if improvement continues at the same rate, it has a 90 percent graduation rate within five school years.

(e) All teachers teaching English, mathematics, science, social sciences, arts and literature, and foreign languages must satisfy the definition of qualified teacher under section 122A.16.

(f) The school is a safe and drug-free school and not designated a persistently dangerous school under section 120B.362.

(g) An excellent school or district deserves public recognition and onetime financial awards that allow the school or district to improve facilities and increase capacity to serve students through intradistrict transfers or open enrollment under section 124D.03.

Subd. 4. [SUPERIOR DESIGNATION.] (a) A school or district is designated "superior" if it meets all the qualifications for an "excellent" designation under subdivision 3 and evidences best practices in curriculum, instruction, assessment, professional development, parent and community involvement, leadership, governance, and use of resources that are useful to other schools or districts seeking to improve performance. Evidence of a superior school or district may include the number of students residing either outside the school attendance area or the school district who seek to enroll in the school or district.

(b) A superior school or district deserves public recognition and onetime financial awards that allow the school or district to improve facilities and increase capacity to serve students through intradistrict transfers or open enrollment under section 124D.03.

Subd. 5. [APPEALS.] A school or district may appeal in writing a designation under this section to the accountability advisory council under section 120B.365 within 30 days of receiving the designation. The accountability advisory council must advise the commissioner regarding the appeal. The commissioner's decision to uphold or deny an appeal is final.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2005-2006 school year and later.

Sec. 9. [120B.362] [PERSISTENTLY DANGEROUS SCHOOLS.]

Subdivision 1. [DEFINITION.] A public school is a persistently dangerous school if, during two of the three previous school years:

(1) a student attending the school was disciplined under section 121A.44 for bringing to school a firearm as defined in United States Code, title 18, section 921; and

(2) the number of students disciplined under the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, for offenses committed on school grounds under subdivision 2 exceeds the number of total annual incidents under subdivision 3.

Subd. 2. [DANGEROUS OFFENSES.] Offenses that must be counted for purposes of defining a persistently dangerous school include:

(1) possessing a dangerous weapon as defined in United States Code, title 18, section 930, paragraph (g)(2);

(2) possessing or using a controlled substance under section 152.01, subdivisions 4 and 9, and consistent with applicable federal law;

(3) selling or soliciting the sale of a controlled substance under section 152.01, subdivisions 4 and 9, and consistent with applicable federal law; and

(4) committing third degree assault under section 609.223, subdivision 1, or criminal sexual conduct under sections 609.342 to 609.3452.

Subd. 3. [TOTAL ANNUAL INCIDENTS.] A designation as a persistently dangerous school requires that the total annual number of offenses listed under subdivision 2 exceeds three incidents in a school with fewer than 300 enrolled students or one incident for every 100 students or fraction of 100 students in a school with 300 or more enrolled students.

Subd. 4. [DANGEROUS INCIDENT.] (a) The commissioner must review by January of each year the data from the three previous school years that are included in the dangerous weapons reports under section 121A.06. The commissioner must:

(1) base the initial "persistently dangerous school" designations on these data;

(2) use the October 1 child count under section 120A.24 to establish student enrollment levels; and

(3) provide preliminary notice of a "persistently dangerous school" designation to schools and districts in February of each year.

(b) A district may appeal a "persistently dangerous school" designation under subdivision 5. If the commissioner upholds the appeal, the commissioner must notify the affected school and district by June 1 that the "persistently dangerous school" designation does not apply. If the commissioner denies the appeal, the commissioner must notify the affected school and district by June that the "persistently dangerous school" designation applies.

Subd. 5. [APPEAL OF DESIGNATION.] A school district may submit to the accountability advisory council under section 120B.365 a written appeal of a persistently dangerous school designation within 30 days of receiving the designation. The appeal must show that the conditions under subdivisions 1 and 2 did not exist in two of the three previous school years. The accountability advisory council must advise the commissioner regarding the appeal. The commissioner's decision to uphold or deny an appeal is final.

[EFFECTIVE DATE.] Subdivisions 1 to 4 are effective immediately and apply to the 2005-2006 school year and later. Subdivision 5 is effective immediately and applies to the 2005-2006 school year through the 2013-2014 school year.

Sec. 10. [120B.363] [TEACHER QUALITY.]

Subdivision 1. [CLASSROOM TEACHERS.] All teachers teaching reading, writing, mathematics, science, social sciences, and arts and literature must satisfy the definition of qualified teacher under section 122A.16.

Subd. 2. [PARAPROFESSIONALS.] (a) All paraprofessionals working in public schools, except those who provide only parental involvement or translation services, must have at least a high school diploma or a GED.

(b) Paraprofessionals who provide instructional services must demonstrate their teaching qualifications to meet rigorous standards by:

(1) passing a formal state assessment;

(2) completing at least two years of postsecondary study related to their area of instruction; or

(3) obtaining at least an associate's degree related to their area of instruction.

(c) Paraprofessionals hired by a school district after January 30, 2002, must satisfy the requirements of paragraphs (a) and (b) immediately upon employment. Paraprofessionals hired by a school district before January 30, 2002, must satisfy the requirements of paragraphs (a) and (b) by January 8, 2006.

Subd. 3. [BOARD OF TEACHING REVIEW OF PRAXIS.] The board of teaching must compare Minnesota's current passing criteria and scores for the Praxis test against those of other states. If the board finds that one or more of Minnesota's passing scores is below the scores of at least 25 other states, the board must submit a written report by January 3, 2004, to the commissioner and the education committees of the legislature explaining Minnesota's low passing scores.

[EFFECTIVE DATE.] This section is effective immediately. To the extent the federal government allows, the commissioner may waive for up to six months the teaching qualifications under subdivision 2, paragraph (b), applicable to a paraprofessional hired after January 30, 2002.

Sec. 11. [120B.364] [REPORT CARDS.]

Subdivision 1. [SCHOOL REPORTS.] (a) All public schools annually must have an electronic or printed report available upon request to parents and the public. The report must include at least the following schoolwide information:

(1) a mean score and the percent of students by grade and subject scoring at or above the state's expected level of performance on statewide tests, and disaggregated by subgroups with ten or more students where subgroups are defined by gender, migrant status, limited English proficiency status, special education status, ethnicity, and eligibility for free or reduced price lunch;

(2) the number and percent of students tested who scored within each of the state's proficiency levels in the school as a whole and in each subgroup with ten or more students;

(3) the percent of students tested in the school as a whole and in each subgroup with ten or more students;

(4) two-year trend data in the mean and percent of students tested by grade and subject who meet or exceed the state's expectation for achievement;

(5) after two years of statewide annual testing in grades 3 through 8 and one grade in high school, the school average value-added, grade-to-grade gains in student achievement, consistent with section 120B.35 and this section, and the percent of students predicted to meet proficiency levels under high school graduation or higher education readiness standards, or other standards the commissioner designates for reporting gain scores;

(6) the number and percent of teachers teaching in core academic areas who are certified in that particular core academic area of instruction and the number and percent of teachers holding emergency credentials who are teaching in core academic areas;

(7) the average attendance rate by grade; and

(8) for high schools with ten or more students terminating by graduating or dropping out of school under the quasi-cohort formula under section 120B.36, subdivision 5, paragraph (b), the average graduation rate by grade.

(b) To permit comparisons, the report also must show, alongside the schoolwide means and percents, the same categories showing statewide and districtwide means and percents. If the school is designated low-performing or unsafe, the report must name the school and show the designation, the sanctions imposed on the school as a result of the designation, and the actions taken to improve the school's performance. If the school is designated excellent or superior, the report must name the school, show the designation, and describe the achievements and exemplary practices on which the designation is based.

(c) The commissioner must post on the department Web site the school information reported under this subdivision. A school with a printed report must make copies of the report available to public libraries under chapter 134 that are located within the district in which the school is located. A school must consider the extent of parent and public access to electronic media when deciding the form in which to publish the report.

Subd. 2. [DISTRICT REPORTS.] (a) All school districts annually must have an electronic or printed report available upon request to parents and the public. The report must include at least the following districtwide information:

(1) a mean score and the percent of students by grade and subject scoring at or above the state's expected level of performance on statewide tests, and disaggregated by subgroups with ten or more students where subgroups are defined by gender, migrant status, limited English proficiency status, special education status, ethnicity, and eligibility for free or reduced price lunch;

(2) the number and percent of students tested who scored within each of the state's proficiency levels;

(3) the percent of students tested in the district as a whole and in each subgroup with ten or more students;

(4) two-year trend data in the mean and percent of students tested by grade and subject who meet or exceed the state's expectation for achievement;

(5) after two years of statewide annual testing in grades 3 through 8 and one grade in high school, the district average value-added, grade-to-grade gains in student achievement, consistent with section 120B.35 and this section, and the percent of students predicted to meet proficiency levels under high school graduation or higher education readiness standards, or other standards the commissioner designates for reporting gain scores;

(6) the number and percent of teachers teaching in core academic areas who are certified in that particular core academic area of instruction and the number and percent of teachers holding emergency credentials who are teaching in core academic areas of English, mathematics, science, social sciences, arts and literature, and foreign languages;

(7) the average attendance rate by grade; and

(8) for high schools with ten or more students terminating by graduating or dropping out of school under the quasi-cohort formula under section 120B.36, subdivision 5, paragraph (b), the average graduation rate by grade.

(b) To permit comparisons, the report also must show, alongside the districtwide means and percents, the same categories showing statewide means and percents. If a school within the district is designated low-performing or unsafe, the report must name the school and show the designation by school, the sanctions imposed on the school as a result of the designation, and the actions taken to improve the school's performance. If a school within the district is designated excellent or superior, the report must name the school, show the designation by school, and describe the achievements and exemplary practices on which the designation is based.

(c) The commissioner must post on the department Web site the district information reported under this subdivision. A district with a printed report must make copies of the report available to public libraries under chapter 134 that are located within the district. A district must consider the extent of parent and public access to electronic media when deciding the form in which to publish the report.

Subd. 3. [DETERMINING WHERE A STUDENT IS ENROLLED FOR ACCOUNTABILITY PURPOSES.] (a) For purposes of establishing accountability, a student is enrolled in the district or charter school that, under the UFARS system, receives payments directly from the state for costs related to educating that student, except under paragraph (e). A school or district that contracts with another school, district, area learning center, or alternative learning program to provide education services to a student who initially enrolls in the contracting school or district, remains accountable for that student.

(b) A school under this section is any public school assigned a unique identification number under the UFARS system.

(c) An area learning center under this section is any public school type 41 to 49 under the UFARS system.

(d) A student participating in an alternative learning program that is located within a larger school is enrolled in the larger school, except if the student is participating in an alternative learning program located in an area learning center under paragraph (c).

(e) A student is enrolled in the district or charter school that provides educational services to the student if a court orders a student transfer under chapter 260B.

[EFFECTIVE DATE.] This section is effective immediately.

Sec. 12. [120B.365] [ACCOUNTABILITY ADVISORY COUNCIL.]

Subdivision 1. [ESTABLISHMENT.] An accountability advisory council is established under section 15.059. The advisory council is composed of nine members appointed by the commissioner from throughout the state with interest and experience in education, and must include educators, parents and members of the public, and the business community. No council member shall be engaged in any activity where a conflict of interest may arise. Council members annually must elect a council chair from among the council members and no council member may serve more than two consecutive years as council chair.

Subd. 2. [DUTIES.] The council shall:

- (1) hear appeals of school and district designations under sections 120B.361 and 120B.362;
- (2) identify schools and districts eligible for an "excellent" or "superior" designation, consistent with the requirements under section 123B.61, subdivisions 3 and 4; and
- (3) make recommendations to the commissioner regarding those designations. The commissioner's decision regarding a designation is final.

Subd. 3. [ANNUAL REPORT; RECOMMENDATIONS.] The council annually by March 1 must submit to the committees of the legislature having jurisdiction over kindergarten through grade 12 education policy and budget issues a report that summarizes the grounds on which schools and school districts submitted appeals to the council, the council's recommendations to the commissioner regarding the appeals, and the commissioner's decision. The report also must list the schools and school districts eligible for an "excellent" or "superior" designation, the council's recommendations regarding the designations and the commissioner's decision. The report must state the basis for designating a particular school or district as "excellent" or "superior." The council may use the content of the reports to recommend to the commissioner changes in the state's educational accountability system. The commissioner, in consultation with the council, must compile and make available in print or electronic media on a biannual basis a list of best practices culled from schools and districts designated as "excellent" or "superior." The commissioner must assist the council upon request.

Subd. 4. [EXPIRATION.] Notwithstanding section 15.059, subdivision 5, the council expires on June 30, 2014.

[EFFECTIVE DATE.] This section is effective immediately and applies to the 2005-2006 school year and later.

Sec. 13. [REPEALER.]

- (a) Minnesota Statutes 2002, section 120B.031, is repealed.
- (b) Minnesota Rules, parts 3501.0300; 3501.0310; 3501.0320; 3501.0330; 3501.0340; 3501.0350; 3501.0370; 3501.0380; 3501.0390; 3501.0400; 3501.0410; 3501.0420; 3501.0440; 3501.0441; 3501.0442; 3501.0443; 3501.0444; 3501.0445; 3501.0446; 3501.0447; 3501.0448; 3501.0449; 3501.0450; 3501.0460; 3501.0461; 3501.0462; 3501.0463; 3501.0464; 3501.0465; 3501.0466; 3501.0467; 3501.0468; and 3501.0469, are repealed.

[EFFECTIVE DATE.] This section is effective for the 2003-2004 school year and thereafter.

COMMISSIONER'S DUTIES

Section 1. [MINNESOTA'S HIGH EDUCATIONAL STANDARDS.]

The standards adopted by the commissioner under article 1, section 2, paragraph (a), must be identical to the standards contained in articles 3 to 12 of this act.

Sec. 2. [RECOMMENDATIONS ON HIGH EDUCATIONAL STANDARDS.]

(a) The commissioner of children, families, and learning, after consulting with stakeholders under paragraph (b), must provide written recommendations to the committees of the legislature having jurisdiction over kindergarten through grade 12 education policy and budget issues by February 1, 2004, that indicate:

- (1) a plan to have Minnesota teachers grade constructed response questions;
- (2) what cut-scores on high school reading and mathematics assessments indicate that remedial instruction in the state's two-year higher education institutions is unneeded;
- (3) what modifications or improvements to the statewide assessments, standards, and benchmarks in the areas of mathematics, science, reading, and writing are needed to reduce remedial instruction in the state's higher education institutions within two years of high school graduation;
- (4) the extent to which successful district programs developed under the profile of learning may be incorporated into state standards developed under this act;
- (5) how best to integrate content with application, critical reasoning, and higher-order thinking into standards developed under this act;
- (6) how to effectively assist teachers in formulating curriculum for classroom instruction consistent with standards developed under this act;
- (7) how to modify the state assessments and the scoring procedures so that the tests are returned to districts within four weeks of the test administration, have the tests fulfill district diagnostic requirements and the state testing requirements, and have the tests include both short answer and multiple choice answers;
- (8) how to incorporate economics content standards in article 9 of this act into the social sciences learning area; and
- (9) a plan to develop statewide tests for the social sciences learning area in the subject areas of American history, geography, civics, and economics, not including personal finance.

(b) The commissioner must consult with at least the following stakeholders when developing recommendations under paragraph (a):

- (1) parents of school-age children and members of the public throughout the state;
- (2) teachers throughout the state currently licensed and providing instruction in one of the six learning areas under Minnesota Statutes, section 120B.0013, and elementary and secondary school administrators throughout the state currently administrating a school site;
- (3) currently serving members of local school boards and charter school boards throughout the state;
- (4) faculty at Minnesota's postsecondary institutions providing instruction related to one of the six learning areas;
- (5) representatives of Minnesota's business community; and
- (6) national associations of teachers for the six required learning areas.

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

Sec. 3. [LEGISLATIVE APPROVAL OF PROPOSED RULES ESTABLISHING STANDARDS AND EDUCATIONAL ACCOUNTABILITY; INTERIM STANDARDS.]

To fulfill the obligation of the legislature to pursue educational excellence for all Minnesota citizens and provide educational accountability, the commissioner of children, families, and learning must present to the committees of the legislature charged with oversight of kindergarten through grade 12 education policy and kindergarten through grade 12 education funding all proposed rules and all proposed amendments to or repeals of existing rules under Minnesota Statutes, sections 120B.0012 and 120B.36. The commissioner may not adopt new rules or amend or repeal existing rules under Minnesota Statutes, sections 120B.0012 and 120B.36, without specific legislative authorization.

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

Sec. 4. [8TH GRADE TESTS.]

The commissioner shall develop a methodology for using portions of the tests in the subject areas of reading and mathematics for grade 8 students that meet the accountability requirements that are required by federal law and provide the opportunity for students to demonstrate that they have met the state basic skills high school graduation requirement. The commissioner shall also develop procedures for students who do not initially meet the state basic skills requirement through their scores on the basic skills portions of the test by either allowing those students in future years to retake the grade 8 state tests or by taking a different test that covers basic content.

Sec. 5. [STANDARDS; KEY UNDERSTANDINGS.]

If necessary, the commissioner may refer to the key understandings developed as part of a revision of the profile of learning by the mid-continent regional educational laboratory in order to provide grade-level banding for the state standards adopted under this act.

ARTICLE 3

REQUIRED: READING, VIEWING, AND LISTENING

Section 1. [READING, VIEWING, AND LISTENING - PRIMARY.]

Subdivision 1. [PURPOSE.] Understand that written and spoken words connect to ideas purposefully and that the individual must be an active participant in order to comprehend essential ideas.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) grade-appropriate sight words and listening vocabulary, including synonyms and antonyms;
- (2) the print conventions of English;
- (3) the various purposes for reading, viewing, and listening (for example, for pleasure) to gain or evaluate information, or to apply knowledge;
- (4) characters, setting, and sequence of events in fiction selections;
- (5) topic, main idea, and supporting details in nonfiction selections; and
- (6) reading, viewing, and listening to literary and nonfiction selections from a variety of genres (for example, folk tale, poetry, drama, realistic fiction, fantasy, information books, or biography).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) make sense of words and comprehend meaning in grade-appropriate fiction and nonfiction selections by:

(i) decoding words (for example, through the use of letter sounds, blends, diagraphs, diphthongs, and word structures); and

(ii) integrating cueing systems, including graphophonic, structure, and meaning;

(2) interact with grade-appropriate fiction and nonfiction selections during the reading, viewing, and listening process by:

(i) setting a purpose;

(ii) activating prior knowledge;

(iii) previewing the selection;

(iv) monitoring and using self-correction strategies (for example, rereading, noticing miscues, searching for cues, and asking for help);

(v) reflecting on the meaning of and responding to text;

(vi) reading aloud fluently, with expression and accuracy; and

(vii) reading silently;

(3) understand and interpret fiction and/or nonfiction by:

(i) making and supporting inferences; and

(ii) using information from illustrations, charts, graphs, and oral and media presentations to enhance comprehension;

(4) critically read, view, and listen to grade-appropriate fiction and nonfiction selections by:

(i) comparing and contrasting elements (for example, characters, settings, ideas, or actions) of one or more selections; and

(ii) formulating questions pertaining to a selection that was read, viewed, or heard; and

(5) apply information in grade-appropriate nonfiction selections by using multiple-step instructions to perform an action.

Sec. 2. [READING, VIEWING, AND LISTENING - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Go beyond the literal meaning of the selection and begin to show more sophisticated comprehension, including making inferences, analyzing, reacting to, and evaluating fiction and nonfiction selections.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) grade-appropriate word study, including:

(i) sight words; and

(ii) reading and listening vocabulary (for example, synonyms, antonyms, homophones, and multiple meaning words);

(2) text features (for example, chapter titles and captions);

(3) the various purposes for reading, viewing, and listening (for example, for pleasure) to gain or evaluate information, or to apply knowledge;

(4) the organizational structure of story plots (for example, main problem, conflict, and resolution in fiction);

(5) the organizational structure of grade-appropriate nonfiction selections, including:

(i) topic, main idea, and details; and

(ii) compare and contrast, cause and effect, logical, and sequential order;

(6) various genres (for example, fairy tale, mythology, folk tale, poetry, fable, fantasy, historical fiction, realistic fiction, biography, and autobiography); and

(7) literary devices used in literary selections (for example, personification, alliteration, onomatopoeia, simile, metaphor, and imagery).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) make sense of words and comprehend meaning in grade-appropriate fiction and nonfiction selections by:

(i) decoding words (for example, through the use of vowel patterns, complex word families, syllabication, root words, and affixes); and

(ii) using word structure and context;

(2) interact with grade-appropriate fiction and nonfiction selections during the reading, viewing, and listening process by:

(i) setting a purpose;

(ii) activating prior knowledge;

(iii) previewing the selection;

(iv) using specific strategies to clear up confusing parts of the text (for example, pausing, rereading, viewing or listening to a selection again, consulting another source, representing information as a mental picture, drawing upon background information, and asking for help);

(v) reading, viewing, and listening to literary and nonfiction selections from a variety of genres and then reflecting on the meaning of and responding to the selection; and

(vi) reading narrative and expository text aloud with developmentally appropriate fluency, accuracy, pacing, intonation, and expression;

(3) understand and interpret fiction and/or nonfiction by:

(i) summarizing print and nonprint selections;

(ii) making inferences and drawing conclusions that are supported with information from the selections; and

(iii) using information from illustrations, charts, graphs, maps, media, and oral presentations to enhance comprehension;

(4) critically read, view, and listen to grade-appropriate fiction and/or nonfiction selections by:

(i) comparing and contrasting information on the same topic from different sources;

(ii) distinguishing fact from opinion;

(iii) identifying author's purpose; and

(iv) formulating questions pertaining to a selection that was read, heard, or viewed; and

(5) apply information in grade-appropriate nonfiction selections by using multiple-step instructions to perform an action.

Sec. 3. [READING, VIEWING, AND LISTENING TO COMPLEX INFORMATION - MIDDLE SCHOOL.]

Subdivision 1. [PURPOSE.] Make the transition to adult reading, listening, and viewing by gaining confidence with more difficult and complex fiction, nonfiction, and technical selections.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) grade-appropriate word knowledge in order to read, view, or listen to a selection, including general, specific, and technical vocabulary;

(2) text features intended to enhance comprehension in print (for example, bold-faced headings, italics, margin notes, color, introductions, and conclusions);

(3) the various purposes for reading, viewing, and listening (for example, for pleasure) to gain or evaluate information, or to apply knowledge;

(4) criteria for evaluation of fiction (for example, plot and character development, literary merit, thematic development, and use of language);

(5) figurative language, literary devices, and imagery in fiction and nonfiction selections;

(6) various literary and nonfiction genres (for example, short stories, novels, poetry, drama, editorials, or essays);

(7) determining the patterns of organization in fiction (for example, genre); nonfiction (for example, compare and contrast, cause and effect, topical, and chronological); and technical selections; and

(8) source evaluation, author's qualifications, bias, and evidence in nonfiction.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) make sense of words in order to comprehend meaning in grade-appropriate fiction and nonfiction selections by:

(i) using context clues; derivations (for example, roots, prefixes, and suffixes); and word origins; and

(ii) interpreting figurative language, literary devices, and imagery in fiction;

(2) interact with grade-appropriate fiction and nonfiction selections during the reading, viewing, and listening process by:

(i) setting a purpose, activating prior knowledge, and previewing selections;

(ii) monitoring and clarifying understanding of selections;

(iii) adjusting rate based on purpose and difficulty in text; and

(iv) identifying transitional words in print and nonprint selections;

(3) comprehend and interpret grade-appropriate fiction, nonfiction, and technical selections by:

(i) paraphrasing events, ideas, or steps in sequence;

(ii) recognizing and analyzing genres;

(iii) interpreting ideas not explicitly stated (for example, main idea and conclusions);

(iv) drawing conclusions and making predictions by using information or clues in the selection and by using prior knowledge, and interpreting presentations of data in selections; and

(v) organizing information to show the hierarchy of ideas within selections (for example, through plot lines, timelines, flow charts, and task-specific graphic organizers); and

(4) evaluate elements of fiction in grade-appropriate selections according to preestablished

criteria while reading, viewing, and listening to a variety of genres (for example, short story, drama, mythology, folk tales, novels, and fantasy) by:

(i) describing characters and events, interpreting social practices, connecting selections with other selections or related experiences, critiquing, or judging;

(ii) reflecting on the meaning of and responding to selections; and

(iii) identifying tone, character development, plot, imagery, literary merit, thematic development, and use of language;

(5) critically read, view, and listen to grade-appropriate nonfiction or technical selections by:

(i) contrasting information on the same topic from different types of sources;

(ii) identifying and contrasting information from both informative and persuasive selections on the same topic;

(iii) recognizing stereotyping;

(iv) identifying source documentation, author, and evidence in a selection;

(v) distinguishing fact from opinion in mixed statements;

(vi) recognizing persuasion in print and nonprint selections;

(vii) identifying author's purpose and point of view when given more than one selection on the same topic; and

(viii) formulating questions pertaining to a selection that was read, viewed, or listened to; and

(6) apply information in grade-appropriate nonfiction and technical selections by:

(i) following step-by-step directions using appropriate tools and procedures; and

(ii) identifying information in a selection that is needed to complete a task or make a decision.

Sec. 4. [TECHNICAL INFORMATION - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Interpret, analyze, apply, and evaluate information presented in nonfiction and technical selections.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) grade-appropriate word knowledge in order to read, view, and listen to nonfiction and technical selections, including, but not limited to, general, specific, and technical vocabulary;

(2) features intended to enhance comprehension in print and nonprint selections;

(3) the various purposes for reading, viewing, and listening to nonfiction and technical selections (for example, for pleasure) to gain or evaluate information, or to apply knowledge;

(4) transitional and organizing words in print and nonprint selections;

(5) patterns of organization in persuasive nonfiction;

(6) various nonfiction and technical genres (for example, editorials, letters to the editor, contemporary essays, primary sources, taped interviews, films, documentaries, or satire); and pamphlets, how-to selections, directions, or manuals;

(7) figurative language, imagery, and literary devices while reading, viewing, and listening to nonfiction selections;

(8) critical evaluation of source, including internal and external authority, bias, evidence, purpose, and audience; and

(9) the logic of reasoning in nonfiction selections.

Subd. 3. [PART B.] The student shall demonstrate the ability to:

(1) make sense of words and improve comprehension in grade-appropriate selections by:

(i) using strategies, including context clues and derivation to acquire grade-appropriate vocabulary; and

(ii) interpreting figurative language and imagery in nonfiction selections, including symbolism, tone, irony, and satire;

(2) interact with grade-appropriate nonfiction and technical selections by:

(i) setting a purpose, activating prior knowledge, and previewing selections;

(ii) monitoring and clarifying understanding of selections;

(iii) adjusting rate based on purpose and difficulty in text; and

(iv) identifying transitional words in print and nonprint selections;

(3) comprehend and interpret grade-appropriate nonfiction and technical selections by:

(i) restating and summarizing important ideas, events, and steps from oral presentations, video, film, or computer data manuals (for example, by taking notes, creating structural organizers, participating in discussions, or creating an abstract, precis, or synopsis);

(ii) drawing conclusions and making predictions from multiple selections on the same topic;

(iii) interpreting presentations of data in connection with other information in selections;

(iv) differentiating persuasive patterns of organization (for example, problem-solution, thesis-evidence, opinion-reason); and

(v) organizing information to clearly show the hierarchy of ideas within a selection;

(4) critically read, view, and listen to grade-appropriate nonfiction and technical selections by:

(i) determining whether the evidence given is appropriate, adequate, and accurate;

(ii) evaluating the credibility and reliability of the source;

(iii) evaluating bias and logic of reasoning;

(iv) interpreting persuasive print and nonprint selections;

(v) evaluating author's point of view, intended audience, and authority;

(vi) formulating critical, evaluative questions relevant to a selection; and

(vii) evaluating how the type of communication shapes or limits the information; and

(5) apply information in grade-appropriate nonfiction and technical selections by:

(i) following step-by-step directions, using appropriate tools and procedures, to build or assemble, maintain or repair, analyze a situation, or create a design;

(ii) selecting relevant information from electronic media, print and nonprint sources, and visual presentations in order to determine a course of action; and

(iii) selecting relevant information from electronic media, print and nonprint sources, and visual presentations in order to complete an application.

REQUIRED: WRITING AND SPEAKING

Section 1. [WRITING - PRIMARY.]

Subdivision 1. [PURPOSE.] Write effectively for a variety of purposes and audiences.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the writing process and characteristics of effective writing by:

(1) using prewriting strategies (for example, retelling ideas); drawing pictures and webs to generate ideas; or discussing ideas with peers;

(2) drafting and revising written work using strategies that include rereading, rearranging words and sentences; varying beginnings of sentences and sentence types; adding descriptive words and details; and organizing for a beginning, middle, and end sequence;

(3) editing and publishing written work using strategies that include editing and proofreading for spelling, capitalization, punctuation, grammar, and sentence formation at a developmentally appropriate level; and sharing or presenting finished products;

(4) adapting writing for a variety of audiences and purposes by creating, for example, picture books; letters; poems; or responses to literature; and

(5) evaluating own and others' writing by, for example, asking questions and commenting about writings; recognizing conventions and other characteristics of effective writing in own and others' work at a developmentally appropriate level; or helping others apply conventions and other characteristics of effective writing.

Subd. 3. [PART B.] A student shall demonstrate the ability to write for a variety of purposes in a selection of forms employing developmentally appropriate conventions by:

(1) composing a how-to piece that includes directions with accurately sequenced multiple steps; task-specific vocabulary; illustrations or other visuals; and an incorporated listing of necessary materials;

(2) composing a narrative based on personal experience, observation, or imagination that includes details, descriptions, and examples to create images; and accurately sequenced ideas or events; and

(3) composing a report describing and giving information about a person, object, or a situation that includes a main idea; supporting facts or details; and a conclusion.

Sec. 2. [SPEAKING - PRIMARY.]

Subdivision 1. [PURPOSE.] Speak effectively for a variety of purposes.

Subd. 2. [PART A.] A student shall demonstrate an understanding of strategies for effective speaking and interpersonal communication in developmentally appropriate ways by:

(1) recognizing and following rules of respectful conversation;

(2) making contributions in class and in group discussions;

(3) adapting voice level, phrasing, intonation, and vocabulary for different speaking situations and audiences (for example, peers, small groups, or large groups);

(4) asking and responding to questions; and

(5) reciting and responding to stories and poems.

Subd. 3. [PART B.] A student shall demonstrate the ability to speak in a variety of situations by:

(1) giving an informative presentation that includes examples to explain the main idea and responses to questions from the audience; and

(2) giving a brief narrative presentation based on experience or imagination that includes a context for the narrative, details, and appropriately sequenced events.

Sec. 3. [WRITING - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Write effectively for a variety of purposes and audiences.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the writing process and characteristics of effective writing by:

(1) using prewriting strategies (for example, graphic organizers, informal interviews, notes, or organizing material according to type and purpose of writing);

(2) drafting and revising of written work using strategies that include elaborating on a central idea by using specific facts and details; developing multiple paragraphs connected by transitional words and devices; employing dialogue, description, exposition, and reflection when appropriate; and varying sentence type and length;

(3) editing and publishing written work using strategies that include editing and proofreading for spelling, capitalization, punctuation, grammar, and paragraphing at a developmentally appropriate level; incorporating photos, illustrations, charts, or graphs when needed; and using appropriate available technology to edit and publish work;

(4) adapting writing for a variety of audiences and purposes by creating, for example, biographies; stories; writing to demonstrate learning in various content areas; or learning logs or journals; and

(5) evaluating own and others' writing by, for example, determining best features of a piece of writing; asking for feedback during writing process; responding to others' writing; or using preset criteria to judge quality of pieces of writing.

Subd. 3. [PART B.] A student shall demonstrate the ability to write for a variety of purposes in a selection of forms employing developmentally appropriate conventions by:

(1) composing a piece using a problem-solution organization that includes explaining a problem or conflict using details and evidence; and presenting a possible solution or resolution to the problem or conflict using details and evidence;

(2) composing a description of a real or imagined person, place, object, incident, or process that includes a clear organizational structure; and details and descriptive words that create images;

(3) composing a narrative based on direct experience, observation, or imagination that includes a flow of action with a beginning, middle, and end; a description of setting and character using details; and dialogue when appropriate; and

(4) composing an expository piece that includes an explanation of or an assertion about a topic starting with a main idea, facts, details, and examples to develop the topic; and a conclusion.

Sec. 4. [SPEAKING - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Speak effectively for a variety of purposes.

Subd. 2. [PART A.] A student shall demonstrate an understanding of strategies of effective speaking and interpersonal communication in developmentally appropriate ways by:

(1) respecting individual differences;

(2) using a variety of verbal and nonverbal communication skills in formal and informal speaking situations;

- (3) contributing to class and group discussions;
- (4) conveying a clear main point when speaking formally;
- (5) asking and responding to questions and comments;
- (6) responding to fiction and nonfiction selections; and
- (7) adapting voice level, phrasing, intonation, and vocabulary for different speaking situations and audiences.

Subd. 3. [PART B.] A student shall demonstrate the ability to speak in a variety of situations by:

(1) planning and carrying out an event in a small group that includes constructing and implementing a group work plan; showing respect and empathy in a variety of cooperative group roles; and obtaining, organizing, and sharing materials; and

(2) preparing and presenting a demonstration that includes a description of a step-by-step procedure; use of visuals to illustrate ideas; use effective delivery techniques; and responses to questions from the audience.

Sec. 5. [WRITING - MIDDLE.]

Subdivision 1. [PURPOSE.] Write effectively for a variety of purposes and audiences.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the writing process and characteristics of effective writing by:

(1) using prewriting strategies (for example, making plans or outlines that consider audience and purpose); building background knowledge; using writing models; freewriting; or generating criteria for quality writing;

(2) drafting and revising written work using strategies that include using an organizational scheme; using transitional devices between ideas and paragraphs, including sensory details and figurative language when needed; elaborating on a main idea by using specific facts and details; and revising for word choice, sentence fluency, and voice;

(3) editing and publishing written work using strategies that include editing and proofreading for spelling, punctuation, grammar, and paragraphing at a developmentally appropriate level; and using appropriate available technology to edit and publish written work;

(4) adapting writing for a variety of audiences and purposes by creating, for example, autobiographies; dramas; on-demand writing for tests and other projects; and investigative reports; and

(5) evaluating own and others' writing by, for example, applying criteria generated by self and others; self-reflecting on strengths and weaknesses as a writer; or responding to others' writing.

Subd. 3. [PART B.] A student shall demonstrate the ability to write for a variety of purposes in a selection of forms employing developmentally appropriate conventions by:

(1) composing technical writing or directions that include formatting to support the text using, for example, illustrations, diagrams, charts, technical drawings, bullets, numbers, or outlines; a glossary of technical terms used in the text; and word choice and voice appropriate for intended audience;

(2) composing a narrative that includes a description of events from direct experience, observation, research, or imagination; relevant detail and figurative language to create an image of setting, character, events, and ideas; dialogue when appropriate; and a logical sequence of events or ideas;

(3) composing an expository piece that gives an explanation of or makes an assertion about a topic starting with a main idea; develops the topic with facts, details, and examples; and provides a conclusion; and

(4) composing an idea or opinion piece that summarizes the central facts and opinions surrounding an issue with examples from more than one source; describes the impact of the issue on events or situations; and selects and defends a position based on information and reasoning.

Sec. 6. [SPEAKING - MIDDLE.]

Subdivision 1. [PURPOSE.] Speak effectively for a variety of purposes.

Subd. 2. [PART A.] A student shall demonstrate an understanding of strategies for effective speaking by:

(1) participating in a variety of roles in group discussions and activities;

(2) using appropriate verbal and nonverbal skills for oral presentations;

(3) conveying and maintaining a clear main point in presentations and discussions;

(4) asking relevant questions to seek elaboration and clarification of ideas; and

(5) adapting speaking style, format, and vocabulary to effectively communicate for a variety of situations and audiences.

Subd. 3. [PART B.] A student shall demonstrate the ability to speak in a variety of situations by:

(1) working with a small group of people to respond to a problem, settle a dispute, or create and carry out a plan of action for a selected issue that includes interacting and communicating appropriately with individuals of different genders, cultures, and points of view; adjusting communication on the basis of verbal and nonverbal feedback; and expressing tone and using vocabulary appropriate for a given situation or audience; and

(2) presenting an idea, opinion, or narrative that includes selected information and supporting materials and visuals to support the message when appropriate; appropriate verbal and nonverbal strategies to communicate the message; reasons and examples to support the main point of the presentation; and adjusting communication on the basis of verbal and nonverbal feedback.

Sec. 7. [WRITING - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Write effectively for a variety of purposes and audiences.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the writing process and characteristics of effective writing by:

(1) using prewriting strategies (for example, making writing plans or outlines that consider audience and purpose); employing a variety of techniques to generate ideas; or generating criteria for quality writing;

(2) drafting and revising written work using strategies that include rethinking content and organization; checking accuracy and idea development; and analyzing and revising for voice that is engaging and appropriate for audience and purpose;

(3) editing and publishing written work using strategies that include editing and proofreading for accuracy of conventions of language and usage; refining selected pieces to share with general or specific audiences; and using appropriate available technology to compose, edit, present, or publish written work;

(4) adapting writing for a variety of audiences and purposes by creating, for example, expositions that analyze, synthesize, and organize information from primary and secondary

sources; reflective compositions; personal and business correspondence; or writing for various media (print, Internet, television, radio); and

(5) evaluating own and others' writing by, for example, determining strengths and weaknesses as a writer based on a body of written work; using formal and self-designed sets of criteria to evaluate own and others' writing; responding productively to reviews of own work; or using self-assessment techniques to set and achieve goals as a writer.

Subd. 3. [PART B.] A student shall demonstrate the ability to write for a variety of purposes in a selection of forms employing appropriate conventions of language and usage by:

(1) composing a piece that describes, narrates, or explains observations of human events or situations;

(2) composing a piece that analyzes patterns or relationships of ideas, topics, or themes;

(3) composing a piece that constructs support for a position, argument, plan, or idea; and

(4) composing a piece that evaluates an idea, topic, or theme based on expressed criteria.

Sec. 8. [TECHNICAL WRITING - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Write effectively for a variety of technical purposes and audiences.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the writing process and characteristics of effective technical writing by:

(1) using prewriting strategies (for example, making writing plans or outlines that consider audience, purpose, and options for format); employing a variety of techniques to generate ideas; or identifying criteria for quality technical writing;

(2) drafting and revising written work using strategies that include drafting and revising for clarity and accuracy of content; incorporating detailed examples or illustrations when needed; organizing text and selecting vocabulary appropriate to topic and audience; and writing and reworking for precise language that meets the reader's needs, including warnings or cautions as necessary to help the reader prevent errors;

(3) editing and publishing written work using strategies that include editing and proofreading for accuracy of conventions of language and usage; and using appropriate available technology to compose, edit, present, or publish written work;

(4) adapting writing for a variety of audiences and purposes by creating, for example, expositions that analyze, synthesize, and organize information from primary and secondary sources; and

(5) evaluating own and others' writing by, for example, using formal and self-designed sets of criteria to evaluate own and others' writing; checking accuracy of technical writings with expert readers or sample documents; or using self-assessment techniques to set and achieve goals as a writer.

Subd. 3. [PART B.] A student shall demonstrate the ability to write for a variety of technical purposes in a selection of forms employing appropriate conventions of language and usage by:

(1) composing a set of directions describing how to complete, engage in, or operate a complex process, procedure, or device;

(2) composing descriptive materials about a product, place, organization, or system;

(3) composing a report, proposal, or application incorporating a body of technical knowledge and suggesting a course of action; and

(4) composing a series of technical correspondences explaining or analyzing complex processes, situations, or devices.

Sec. 9. [PUBLIC SPEAKING - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Speak effectively for a variety of purposes.

Subd. 2. [PART A.] A student shall demonstrate an understanding of strategies for effective public speaking by:

- (1) determining the intent of the message;
- (2) using a variety of planning procedures and organizational structures;
- (3) adjusting style, message, and delivery as appropriate for particular purposes and audiences;
- (4) using appropriate visuals, technology, or other equipment;
- (5) using a variety of verbal and nonverbal delivery techniques;
- (6) adjusting presentation based on verbal and nonverbal feedback; and
- (7) using criteria to evaluate own and others' effectiveness in presentations.

Subd. 3. [PART B.] The student shall demonstrate the ability to speak in a variety of situations, including:

- (1) constructing and delivering an informative presentation; and
- (2) constructing and delivering a persuasive presentation.

Sec. 10. [INTERPERSONAL COMMUNICATION - HIGH SCHOOL; OPTIONAL.]

Subdivision 1. [PURPOSE.] Communicate effectively in a variety of interpersonal situations.

Subd. 2. [PART A.] A student shall demonstrate an understanding of strategies for effective interpersonal communication by:

- (1) showing respect and empathy for individual differences and feelings by adjusting verbal and nonverbal language as needed;
- (2) using appropriate language conventions in varied interpersonal situations;
- (3) using problem-solving skills of conciliation, mediation, or negotiation to improve communication;
- (4) utilizing active listening and feedback in group activities; and
- (5) using criteria to evaluate own and others' effectiveness in group discussions and other interpersonal contexts.

Subd. 3. [PART B.] A student shall demonstrate an ability to communicate in a variety of interpersonal situations, including:

- (1) playing an active role in a group activity leading to a presentation on a selected topic using available technology when appropriate; and
- (2) playing an active role in a group planning and implementing an event or an ongoing program using available technology when appropriate.

ARTICLE 5

REQUIRED: MATHEMATICAL CONCEPTS AND APPLICATIONS

Section 1. [SHAPE, SPACE, AND MEASUREMENT - PRIMARY.]

Subdivision 1. [PURPOSE.] Explore three-dimensional objects and later, their two-dimensional faces, with a focus on developing shape, location, and measurement concepts.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [SHAPE AND SPACE.]

(i) patterns as either repeating or growing;

(ii) two-dimensional shapes as the images or footprints of three-dimensional shapes; and

(iii) names and attributes of different shapes; and

(2) [MEASUREMENT.]

(i) measurement as the number of repetitions of a single unit; and

(ii) measurement attributes of length, volume, weight, area, and time.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [SHAPE AND SPACE.]

(i) describe, represent, and extend existing visual patterns, and create new patterns;

(ii) recognize shapes in real-world contexts;

(iii) sort and classify shapes by their familiar attributes;

(iv) model familiar two- and three-dimensional shapes by building or drawing them;

(v) recognize and create shapes that have symmetry; and

(vi) describe and compare the location or position of objects using common terms; and

(2) [MEASUREMENT.]

(i) predict what happens to an object as a result of flipping, sliding, and turning;

(ii) use measurement to order a group of objects;

(iii) use nonstandard units and later, standard whole units, to measure familiar objects; and

(iv) develop measurement benchmarks for making comparisons and estimates.

Sec. 2. [NUMBER SENSE - PRIMARY.]

Subdivision 1. [PURPOSE.] Use whole number concepts, relationships, and operations to represent information, solve problems, and justify reasoning.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) multiple models of place value and the base-ten number system;

(2) relative position and magnitude of whole numbers;

(3) various approaches to addition and subtraction of whole numbers and the relationship between the two operations; and

(4) situations that suggest multiplication and division (for example, equal groupings of objects and sharing equally).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) represent and use whole numbers in flexible ways, including composing and decomposing tens, hundreds, and thousands;

(2) develop and use strategies for whole-number computations, with a focus on addition and subtraction;

(3) develop and use strategies for estimating, comparing, and ordering whole numbers;

(4) use a variety of methods and tools to compute, including objects, mental computation, estimation, paper and pencil, and calculators;

(5) use whole numbers to identify, describe, and predict both repeating and growing patterns;

(6) organize and represent data using concrete objects, pictures, and graphs; and

(7) represent commonly used fractions, including one-fourth, one-third, and one-half.

Sec. 3. [SHAPE, SPACE, AND MEASUREMENT - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Investigate, visualize, and classify two- and three-dimensional shapes and their attributes with a focus on developing geometric vocabulary and applying standard units of measure.

Subd. 2. [PART A.] A student will demonstrate an understanding of:

(1) [SHAPE AND SPACE.] Geometric attributes and properties, including parallel, perpendicular, vertices, edges, faces, length, area, and congruency; and

(2) [MEASUREMENT.]

(i) standard units in the metric and customary systems; and

(ii) geometric vocabulary used to describe location, movement, and direction.

Subd. 3. [PART B.] A student will demonstrate the ability to:

(1) [SHAPE AND SPACE.]

(i) use mathematical language to explain the structure of a geometric pattern;

(ii) translate between a three-dimensional object and its two-dimensional representation;

(iii) classify two- and three-dimensional shapes according to their properties and develop definitions of classes of shapes (for example, triangles and pyramids); and

(iv) reason about the results of transforming shapes, including flipping, sliding, and turning; and

(2) [MEASUREMENT.]

(i) use maps or graphs to determine distances and efficient routes;

(ii) estimate measurements by using appropriate units and comparisons to known objects or quantities;

(iii) measure attributes of familiar objects using appropriate metric and customary whole and partial units; and

(iv) select and apply appropriate standard units and tools to measure length, area, volume, weight, elapsed time, temperature, and the size of angles.

Sec. 4. [NUMBER SENSE - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Use numbers, language, and symbols to represent information, solve problems, and justify reasoning.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the place-value structure of the base-ten number system;
- (2) various meanings of and approaches to multiplication and division of whole numbers;
- (3) the effects of multiplying and dividing whole numbers; and
- (4) fractions as parts of unit wholes, as parts of a collection, as locations on number lines, and as divisions of whole numbers.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) represent, order, and compare whole numbers and decimals;
- (2) fluently add, subtract, multiply, and divide whole numbers;
- (3) develop and use strategies to estimate the results of whole number computations and to judge the reasonableness of such results;
- (4) select and use appropriate methods and tools for computing with whole numbers from among mental computation, estimation, calculators, and paper and pencil according to the context and nature of the problem;
- (5) model problem situations with objects and use representations, including tables, graphs, and equations to draw conclusions;
- (6) describe and extend patterns, make generalizations, and draw conclusions about them; and
- (7) solve a variety of single- and multiple-step problems using number relationships and properties, number patterns, and computation and estimation strategies.

Sec. 5. [CHANCE AND DATA - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Describe and compare the likelihood of events, and collect, organize, and represent data to answer questions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) [DATA.] Measures of center, focusing on the median; and
- (2) [CHANCE.]
 - (i) data representations, including line plots, bar graphs, and line graphs; and
 - (ii) terms used to convey that some events are certain to occur, others are certain not to occur, and others may or may not occur.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) [DATA.]
 - (i) design an investigation to address a question;
 - (ii) collect data using observations, surveys, and experiments;
 - (iii) organize and represent data using tables and graphs;
 - (iv) propose and justify conclusions and predictions based on data;
 - (v) describe the shape and important features of a set or data, and compare related data sets with an emphasis on how the data are distributed; and
 - (vi) compare different representations of the same data and evaluate how well each representation shows important aspects of data; and

(2) [CHANCE.]

(i) determine the degree of likelihood of an event using terminology (for example, certain, likely, equally likely, unlikely, and impossible); and

(ii) predict the probability of an outcome of a simple experiment and test the prediction.

Sec. 6. [SHAPE, SPACE, AND MEASUREMENT - MIDDLE SCHOOL.]

Subdivision 1. [PURPOSE.] Use concepts of shape and measurement as analytical tools by developing definitions, testing conjectures, and applying measurement and proportional reasoning skills.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [SHAPE AND SPACE.]

(i) basic concepts of coordinate systems; and

(ii) precise mathematical names and properties of two- and three-dimensional shapes; and

(2) [MEASUREMENT.] The relationships among units and conversion from one measurement unit to another within the same system.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [SHAPE AND SPACE.]

(i) precisely describe, classify, and understand relationships among types of two- and three-dimensional objects using their defining properties (for example, angle size, number of sides or vertices, parallel faces, and congruent sides);

(ii) describe the shape, size, position, and orientation of geometric figures under informal transformations, including flips, turns, slides, and scaling;

(iii) analyze and describe shapes, symmetries, and tilings in art forms from various cultures;

(iv) apply geometric concepts and relationships to test conjectures and solve problems involving congruence, similarity, the Pythagorean Theorem, and coordinate systems; and

(v) use visual tools (for example, networks or vertex-edge graphs) to model and solve problems; and

(2) [MEASUREMENT.]

(i) understand, select, and use units of appropriate size and type to measure angles, perimeter, area, surface area, and volume;

(ii) select and apply techniques and tools to accurately find length, area, surface area, volume, and angle measures to appropriate levels of precision;

(iii) develop and use formulas to determine the circumference of circles and the area of triangles, quadrilaterals, and circles; and

(iv) apply a scale factor to the linear dimensions of a shape and describe the resulting changes to the shape's angles, perimeter, area, and volume.

Sec. 7. [NUMBER SENSE - MIDDLE SCHOOL.]

Subdivision 1. [PURPOSE.] Use rational number concepts, relationships, and computational methods to represent information, solve problems, and justify reasoning.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) number concepts, including place value, prime and composite numbers, and multiples and factors;

(2) ways of representing fractions, decimals, percents, and integers;

(3) the meaning and effects of arithmetic operations with fractions, decimals, and integers;

(4) exponential, scientific, and calculator notation to represent large and small numbers; and

(5) the inverse relationships of addition and subtraction, multiplication and division, and squaring and finding square roots.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) compare and order fractions, decimals, percents, and integers, and translate among equivalent representations of numbers;

(2) fluently add, subtract, and multiply using fractions, decimals, and integers;

(3) use the inverse relationships of addition and subtraction, multiplication and division, and squaring and finding square roots to simplify computations, and solve problems;

(4) solve a variety of problems by representing rational numbers efficiently, selecting and using appropriate operations and methods to estimate or compute, and generating and describing more than one solution method;

(5) use factors, multiples, prime factorization, and relatively prime numbers to solve problems; and

(6) apply proportional reasoning to solve a variety of problems using rates, ratios, proportions, and percents.

Sec. 8. [CHANCE AND DATA - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Use rational numbers to quantify probabilities and use data analysis to answer questions and make predictions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DATA.]

(i) measures of center, focusing on the mean;

(ii) measures of spread, focusing on the interquartile range; and

(iii) graphs of data, including histograms, stem-and-leaf plots, box plots, scatterplots, and circle graphs; and

(2) [CHANCE.]

(i) probability terminology, including randomness, event, sample space, and outcome; and

(ii) how the likelihood of an event can be expressed using a number from zero to one.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DATA.]

(i) formulate a question, design a study, and collect data to answer the question;

(ii) select, create, and use appropriate graphical representations of data;

(iii) find, use, and interpret measures of center and spread;

- (iv) identify trends in data collected over time and differences across various populations; and
- (v) summarize or critique data investigations done by others; and

(2) [CHANCE.]

- (i) use strategies to determine the outcome of a chance event, including organized lists, tree diagrams, and area models;
- (ii) conduct a probability experiment to simulate a real life issue involving uncertainty; and
- (iii) use the results of a probability simulation to make a prediction, recommendation, or decision.

Sec. 9. [ALGEBRA - MIDDLE SCHOOL.]

Subdivision 1. [PURPOSE.] Analyze mathematical patterns, relationships, and functions to model and solve problems.

Subd. 2. [PART B.] A student shall demonstrate an understanding of:

- (1) patterns, relations, and functions;
- (2) how verbal descriptions, tables, graphs, and equations can be used to describe patterns of change in real-world situations;
- (3) the similarities and differences between the properties of linear and nonlinear functions; and
- (4) equivalent forms for simple algebraic expressions.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) recognize, analyze, and generalize patterns and build mathematical models to make decisions or formulate predictions;
- (2) predict patterns of change in real-world situations using verbal descriptions, tables, graphs, and equations;
- (3) classify linear, exponential, and quadratic functions and contrast their properties using tables, graphs, and equations;
- (4) recognize relationships between symbolic expressions and graphs of lines, paying particular attention to the meaning of intercept and slope;
- (5) generate equivalent forms for simple algebraic expressions and solve multiple step linear equations; and
- (6) use graphing calculator technology to determine solutions to linear, exponential, and quadratic equations.

Sec. 10. [SHAPE, SPACE, AND MEASUREMENT - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Develop capacity to reason about space, shape, and measurement in increasingly abstract ways.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) [SHAPE AND SPACE.]
 - (i) reflections, rotations, translations, and scaling of two-dimensional figures; and
 - (ii) congruence and similarity; and
- (2) [MEASUREMENT.]

(i) perimeter, area, surface area, and volume; and

(ii) distance on a coordinate plane.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [SHAPE AND SPACE.]

(i) use visualization, spatial reasoning, and geometric modeling to solve problems;

(ii) construct and model two- and three-dimensional figures from various points of view using appropriate tools and technologies (for example, ruler, protractor, interactive geometric software, isometric drawing paper, and computer-aided design);

(iii) analyze characteristics of shape, size, and space as used in art, architecture, design, or nature;

(iv) use geometric models to represent and explain numerical relationships or measurement problems;

(v) investigate conjectures and solve problems involving two- and three-dimensional objects represented with Cartesian coordinates; and

(vi) make and test conjectures, and solve problems involving the congruence and similarity of two-dimensional figures; and

(2) [MEASUREMENT.]

(i) analyze precision, accuracy, and approximate error in measurement situations; and

(ii) generalize a scale factor to the dimensions of a shape and describe the resulting changes to the shape's perimeter, area, surface area, and volume.

Sec. 11. [CHANCE AND DATA - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Apply concepts of chance and data analysis to make critical judgments, predictions, or decisions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DATA.]

(i) differences among various kinds of statistical studies and which inferences can legitimately be drawn from each;

(ii) the difference between correlation and causation; and

(iii) characteristics of a well-designed study, including the role of randomization, appropriateness of data analysis, and validity of conclusions; and

(2) [CHANCE.]

(i) how to compute the probability of a compound event;

(ii) concepts of conditional probability and independent events; and

(iii) concepts of sample space and probability distribution for simple cases.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DATA.]

(i) independently formulate a question, design a study, collect data, and report results and conclusions using technology, data displays, and statistical measures;

(ii) evaluate a published report containing data by examining the design of the study, the appropriateness of data analysis, and the validity of conclusions;

(iii) display bivariate data using a scatterplot and describe the shape of the data; and

(iv) analyze data by applying tools to find the line or curve of best fit and appropriate summary statistics (for example, correlation coefficient or regression equation) to make decisions; and

(2) [CHANCE.]

(i) compute the probability of a compound event using both theoretical and experimental probability;

(ii) compute and interpret the expected value of a random variable in simple cases;

(iii) use sample spaces and probability distributions to determine the probability of events in simple cases; and

(iv) use simulations to construct empirical probability distributions.

Sec. 12. [ALGEBRA - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Represent and analyze quantitative situations using classes of functions, rates of change, and algebraic symbols and processes.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) relations and functions;

(2) properties of classes of functions, including exponential, polynomial, and periodic functions; and

(3) equivalent forms of expressions, equations, inequalities, and relations.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) approximate and interpret rates of change from graphical and numerical data;

(2) analyze functions of two variables by investigating rates of change, intercepts, zeros, and asymptotes;

(3) identify essential quantitative relationships in a situation and determine the class or classes of functions that might model the relationships;

(4) represent and explain mathematical relationships with graphs, tables, spreadsheets, and equations, using both technology and paper and pencil;

(5) fluently use multiple representations of a given mathematical relationship;

(6) use matrices to represent data and solve systems of equations;

(7) generalize patterns and build mathematical models to describe and analyze real situations, including linear, exponential, and periodic; and

(8) solve equations, inequalities, and systems of equations with fluency (mentally or with paper and pencil in simple cases and using technology in all cases) and justify the solutions.

Sec. 13. [DISCRETE MATHEMATICS - HIGH SCHOOL; OPTIONAL.]

Subdivision 1. [PURPOSE.] Use discrete structures to represent, model, and interpret physical, social, and mathematical phenomena.

Subd. 2. [PART A.] A student shall demonstrate an understanding of counting techniques, including the multiplication principle, permutations, and combinations.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) investigate and apply systematic counting techniques, set relationships, and principles of logic to represent, analyze, and solve problems;

(2) use charts, vertex-edge graphs, and matrices to model and solve problems and draw reasonable conclusions about the situation being modeled;

(3) explore, develop, and analyze algorithmic thinking to accomplish a task or solve a problem;

(4) use symbolic expressions, including iterative and recursive forms to represent relationships arising from various contexts; and

(5) how to generalize patterns using explicitly and recursively defined functions.

Sec. 14. [TECHNICAL APPLICATIONS - HIGH SCHOOL; OPTIONAL.]

Subdivision 1. [PURPOSE.] Apply mathematics to solve technical problems.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) computational technologies;

(2) scientific and exponential notation used in complex systems;

(3) trigonometric applications appropriate to technical situations; and

(4) fundamental geometric constructions or calculations used in drafting or construction.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) use complex measurement equipment for several systems;

(2) convert between measuring systems;

(3) measure to scale;

(4) calculate quantities using algebraic formulas;

(5) read and interpret information in complex graphs, tables, and charts;

(6) create a set of plans to design or modify a complex structure, product, or system by researching background information, calculating mathematical specifications, and developing a materials list that matches mathematical specifications;

(7) construct a complex structure, product, or model to mathematical specifications; and

(8) analyze an existing complex structure, product, or system for purposes of maintenance, repair, troubleshooting, or optimizing function.

ARTICLE 6

REQUIRED: SCIENTIFIC CONCEPTS AND APPLICATIONS

Section 1. [DIRECT SCIENCE EXPERIENCE - PRIMARY.]

Subdivision 1. [PURPOSE.] Engage students in active science experiences that promote understanding of basic science concepts and processes in order to develop a foundation for science literacy.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) observable characteristics of organisms;

(2) basic needs of organisms and how they are met;

- (3) responses of organisms to changes in the environment;
- (4) observable properties of objects, including size, weight, shape, and temperature;
- (5) patterns that occur in nature, including objects in the sky, weather, growth, and seasonal change;
- (6) how the environment is impacted by the personal use of materials, energy, and water; and
- (7) the nature of science, including:
 - (i) performing experiments;
 - (ii) supporting ideas with personal observations; and
 - (iii) understanding that all kinds of people around the world do science.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) engage in teacher-guided inquiry using the primary inquiry standard;
- (2) practice safety in science, including washing hands after participating in a science experiment, wearing goggles when appropriate, following directions related to science safety, not tasting substances or materials used in science activities or experiments, and practicing safe and humane care of animals; and
- (3) use simple technology, including hand lenses, simple balances, and other basic measurement tools to extend their exploration and observation of objects and organisms.

Sec. 2. [LIVING AND NONLIVING SYSTEMS - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Investigating living and nonliving systems in order to make sense of the world and build a stronger foundation for science literacy.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) basic structures and functions of the human body, including the skeletal system, the circulatory system, and the digestive system;
- (2) all living organisms survival characteristics that help them thrive in their existing environment;
 - (3) cycles in:
 - (i) living systems, including life cycles;
 - (ii) earth systems, including the water cycle, seasons, and weathering; and
 - (iii) environmental systems, including energy flow and material cycles (for example, in food webs and recycling);
 - (4) patterns in:
 - (i) living systems, including the grouping of plants and animals based on their observable characteristics;
 - (ii) earth systems, including features of the earth's surface, weather, and the earth's relationship to the sun and moon;
 - (iii) physical systems, including the grouping of materials based on their properties, including floating and sinking, solids and liquids, and change in the properties of materials caused by heating and cooling; and
 - (iv) environmental systems, including populations and the physical environment;

- (5) forces that cause changes in speed or direction of motion;
- (6) the impact of human behavior and technology use on the environment; and
- (7) the nature of science, including:
 - (i) the role of experimentation and evidence in developing scientific ideas; and
 - (ii) the role men and women with diverse perspectives play in the development of scientific knowledge.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) plan and conduct a scientific inquiry with some assistance or scripting using the intermediate inquiry standard;
- (2) create or use a model to explain how parts of a system interact;
- (3) communicate the relationship between variable and experimental results;
- (4) use simple technology to complete an inquiry, including the use of magnifying equipment, mechanical balances, and thermometers; and
- (5) follow appropriate safety behavior as directed in the use of goggles, heat sources, electricity, glass, and chemicals and biological materials.

Sec. 3. [PHYSICAL SYSTEMS - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Develop understanding of the cause and effect relationships in everyday observations of materials, motion, and other energy forms.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) properties of materials that are independent of the size of the sample, including, but not limited to, density, solubility, and electrical conductivity;
- (2) physical and chemical changes, including those resulting from heating and simple chemical reactions;
- (3) the idea that in chemical reactions the total amount of mass does not change;
- (4) forces and motion, including speed, acceleration, and laws of motion;
- (5) transfer of energy, including motion, heat, light, and electricity; and
- (6) the history and nature of science, including:
 - (i) the idea that scientific ideas are tentative, reproducible, and subject to change;
 - (ii) that it is normal for scientists to question the interpretation of data;
 - (iii) that questioning, response to criticism, and open communication are important to the process of science; and
 - (iv) that the body of science knowledge has been built by individuals from many cultures and beliefs.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) independently formulate questions based on prior observations and evidence to provide answers through scientific investigations;
- (2) design and conduct, with minimal assistance, a scientific investigation (for example, an experiment or a field study);

- (3) choose appropriate scientific technology to gather and analyze data and evidence;
- (4) use mathematical representations or two- and three-dimensional models to interpret and communicate data and evidence;
- (5) use their own and other students' evidence collected by valid scientific investigations to develop descriptions, explanations, predictions, and models;
- (6) describe how evidence and established science ideas do or do not support a claim made in public media (for example, advertisements and reports of scientific studies); and
- (7) use appropriate safety equipment and follow safety procedures, including:
 - (i) using goggles when working with glass, chemicals, heat, and projectiles;
 - (ii) disposing of materials properly;
 - (iii) following established laboratory rules; and
 - (iv) operating safety equipment provided in the laboratory or field.

Sec. 4. [LIVING SYSTEMS - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Identify and analyze interactions and interdependence of living systems.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the relationship among groups of organisms, including:
 - (i) animals, including humans;
 - (ii) plants; and
 - (iii) micro-organisms;
- (2) cell structure and function (for example, the cell as a building block and the cell's role in reproduction);
- (3) diversity and adaptation, including:
 - (i) how natural selection accounts for the diversity of species; and
 - (ii) how changes in environmental conditions can affect the survival of individual organisms and entire species;
- (4) populations and ecosystems, including:
 - (i) that an ecosystem includes all populations living together and their interactions with physical factors;
 - (ii) how populations are categorized by the function they serve in an ecosystem;
 - (iii) the importance of sunlight as the major source of energy for an ecosystem; and
 - (iv) that the number of organisms that an ecosystem can support depends on adequate biotic and abiotic resources;
- (5) behavior and regulation, including:
 - (i) how organisms maintain a stable life cycle in a constantly changing external environment;
 - (ii) how regulation of an organism's internal environment involves sensing and changing; and

- (iii) how an organism's behavior evolves through adaptation to its environment;
- (6) reproduction and heredity, including:
 - (i) how some organisms reproduce sexually and some asexually; and
 - (ii) how hereditary information is contained in the genes and is passed from one generation to another;
- (7) the dynamic effect of humans interacting with the environment; and
- (8) the history and nature of science, including:
 - (i) the idea that scientific ideas are tentative, reproducible, and subject to change;
 - (ii) that it is normal for scientists to question the interpretation of data;
 - (iii) that questioning, response to criticism, and open communication are important to the process of science; and
 - (iv) that the body of science knowledge has been built by individuals from many cultures and beliefs.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) independently formulate questions based on prior observations and evidence and to provide answers through scientific investigations;
- (2) design and conduct, with minimal assistance, a scientific investigation (for example, an experiment or a field study);
- (3) choose appropriate scientific technology to gather and analyze data and evidence (for example, microscopes, probes, computers, and thermometers) to measure liquids, air, and soil;
- (4) use mathematical representations or two- and three-dimensional models to interpret and communicate data and evidence;
- (5) use their own and other students' evidence collected by valid scientific investigations to develop descriptions, explanations, predictions, and models;
- (6) describe how evidence and established science ideas do or do not support a claim made in public media (for example, advertisements and reports of scientific studies); and
- (7) use appropriate safety equipment and follow safety procedures, including:
 - (i) using goggles when working with glass, chemicals, heat, and projectiles;
 - (ii) disposing of materials properly;
 - (iii) following established laboratory rules; and
 - (iv) operating safety equipment provided in the laboratory or field.

Sec. 5. [EARTH SYSTEMS - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Students will utilize concepts and investigations to evaluate interactions of earth and space systems and how they impact the earth and its human life.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the structures and processes of earth systems, including:
 - (i) plate tectonics and earth layers occurring in the geosphere;

- (ii) the water cycle, erosion, and water bodies in the hydrosphere; and
- (iii) weather and climate as a function of the atmosphere;
- (2) concepts of change and constancy in the earth's history, including evidence found in rocks, landforms, and fossils;
- (3) scientific theories of the earth's origin and evolution, including:
 - (i) formation from a nebular cloud of dust;
 - (ii) methods of estimating geologic time; and
 - (iii) interactions among the solid earth, the oceans, the atmosphere, and organisms;
- (4) the relative positions and motion of objects in the solar system, including:
 - (i) planetary motion;
 - (ii) moon phases and tides;
 - (iii) seasons; and
 - (iv) eclipses;
- (5) the structure and evolution of the universe, including:
 - (i) galaxies;
 - (ii) stars; and
 - (iii) time and distance relationships; and
- (6) the history and nature of science, including:
 - (i) the idea that scientific ideas are tentative and subject to change;
 - (ii) that it is normal for scientists to question the interpretation of data;
 - (iii) that questioning, response to criticism, and open communication are important to the process of science; and
 - (iv) that the body of science knowledge has been built by individuals from many cultures and beliefs.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) independently formulate questions based on prior observations and evidence and to provide answers through scientific investigations;
- (2) design and conduct, with minimal assistance, a scientific investigation (for example, an experiment or a field study);
- (3) choose appropriate scientific technology to gather and analyze data and evidence (for example, microscopes, probes, computers, and thermometers) to measure liquids, air, and soil;
- (4) use mathematical representations or two- and three-dimensional models to interpret and communicate data and evidence;
- (5) use their own and other students' evidence collected by valid scientific investigations to develop descriptions, explanations, predictions, and models;
- (6) describe how evidence and established science ideas do or do not support a claim made in public media (for example, advertisements and reports of scientific studies); and

- (7) use appropriate safety equipment and follow safety procedures, including:
 - (i) using goggles when working with glass, chemicals, heat, and projectiles;
 - (ii) disposing of materials properly; and
 - (iii) following established laboratory rules and operating safety equipment provided in the laboratory or field.

Sec. 6. [BIOLOGY - HIGH SCHOOL LEVEL.]

Subdivision 1. [PURPOSE.] Investigate living systems at a molecular level.

Subd. 2. [PART A.] A student shall demonstrate understanding of:

- (1) mechanisms of heredity, including:
 - (i) how new genes have a wide variety of effects;
 - (ii) how sorting and recombining genes result in a wide variety of possibilities in offspring;
 - (iii) how information is passed from parent to offspring through coding in DNA;
 - (iv) that gene mutations can be caused by such things as radiation and chemicals (for example, ingested and inhaled drugs); and
 - (v) how cell differentiation provides organisms with tissues, organs, and systems;
- (2) biological evolution, including:
 - (i) that the earth's present day range of species developed from preexisting species;
 - (ii) how mechanisms for evolution are provided through natural selection;
 - (iii) that natural selection gives rise to cells' and organisms' behaviors and to cell and organisms that are able to survive in particular environments; and
 - (iv) that the theory of natural selection provides a scientific explanation for the history of life on earth;
- (3) interdependence between organisms and environments, including:
 - (i) how ecosystems can be reasonably stable over hundreds or thousands of years;
 - (ii) that ecosystems always change when climate changes or when one or more new species appear as a result of migration or local evolution; and
 - (iii) human activities can, deliberately or inadvertently, alter the equilibrium of an ecosystem;
- (4) flow of matter and energy, including how the amount of life any environment can support is limited by the available energy, water, oxygen, minerals, and by the ability of ecosystems to recycle the residue of dead organic material;
- (5) behavior of cells and organisms, including:
 - (i) how nervous systems in multicellular animals generate behavior;
 - (ii) how behavioral responses to internal changes and external stimuli occur in organisms; and
 - (iii) how behavioral responses can be either innate or learned and have evolved to ensure reproductive success;
- (6) the historical significance of a major scientific or technological advance in biological systems, including contributions of individuals with diverse perspectives; and

(7) the nature of science, including:

- (i) how historical and current scientific concepts and knowledge guide scientific inquiries;
- (ii) that scientific inquiries are performed to test ideas and predictions and to learn about the natural world;
- (iii) how the use of various technologies influences investigations;
- (iv) the essential role of mathematics in scientific inquiry;
- (v) how science knowledge based on evidence adheres to established scientific criteria; and
- (vi) the traditions that govern the conduct of scientists.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) design and conduct a scientific investigation using one of the following high school inquiry standards:

- (i) research process; or
- (ii) issue analysis; or
- (iii) field study; or
- (iv) case study;

(2) apply technology (for example, the use of sensors and probes, microscopes, environmental sampling tools, analysis with spreadsheets, computer simulations to solve problems, computerized electron microscope images, and invention of equipment or tools); and

(3) practice science safely, including:

- (i) using equipment properly and following other standard laboratory procedures;
- (ii) identifying safety hazards and risk factors of technological equipment being used;
- (iii) using proper methods of disposing of chemicals and biological materials; and
- (iv) knowing emergency procedures and the location of safety equipment.

Sec. 7. [CONCEPTS IN CHEMISTRY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Develop scientific literacy through understanding concepts, theories, and principles in chemistry by analysis and investigation.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) atomic structure, including:

- (i) structure of atoms;
- (ii) properties of isotopes; and
- (iii) radioactive processes;

(2) structure and properties of matter, including:

- (i) knowledge of elements;
- (ii) measurement of basic properties of matter (for example, thermal expansion, electrical conductivity, crystal structure, and solubility);

(iii) patterns in the periodic table;
(iv) the role of electrons in all types of bonding; and
(v) formation and properties of inorganic and organic substances (for example, polymers and large molecules essential to life);

(3) chemical reactions, including:

(i) evidence of chemical reactions;

(ii) energy changes in chemical system;

(iii) determining the factors that affect the rate of a reaction; and

(iv) common chemical reactions that occur in kitchens, living systems, and the environment;

(4) the history of science, including the historical significance of a major scientific or technological advance in chemistry and the importance of multiple contributions by individuals with diverse perspectives; and

(5) the nature of science, including:

(i) how historical and current scientific concepts and knowledge guide scientific inquiries;

(ii) that scientific inquiries are performed to test ideas and predictions and to learn about the natural world;

(iii) how the use of various technologies influences the investigations;

(iv) the essential role of mathematics in scientific inquiry;

(v) how science knowledge based on evidence adheres to established scientific criteria; and

(vi) that traditions govern the conduct of scientists.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) design and conduct a scientific investigation using one of the following high school inquiry standards:

(i) research process; or

(ii) issue analysis; or

(iii) field study; or

(iv) case study;

(2) apply technology (for example, the use of sensors and probes) analysis with spreadsheets, development of computer simulations to solve problems, and creation or invention of equipment and tools; and

(3) practice science safely, including:

(i) using equipment properly and following other standard laboratory procedures;

(ii) identifying safety hazards and risk factors of technological equipment being used;

(iii) using proper methods of disposing of chemicals and materials; and

(iv) knowing emergency procedures and the location and use of safety equipment.

Sec. 8. [EARTH AND SPACE SYSTEMS - HIGH SCHOOL LEVEL.]

Subdivision 1. [PURPOSE.] Investigate and analyze earth and space systems through application of concepts, theories, and principles.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) energy in the earth system, including internal and external sources of energy and the transfer of energy;

(2) interaction of forces and energy, including, but not limited to, fault systems, movement of earth materials, and star systems;

(3) geochemical processes and cycles, including movement and sinking of elements and the physical and chemical changes caused by this movement;

(4) theory of origins and evolution of the universe, including "big bang," gravitational attraction of matter, and nuclear reactions in stars to produce elements;

(5) potential environmental problems related to earth and space systems;

(6) the history of science, including the historical significance of a major scientific or technological advance in earth and space systems and the importance of multiple contributions by individuals with diverse perspectives; and

(7) the nature of science, including:

(i) how historical and current scientific concepts and knowledge guide scientific inquiries;

(ii) that scientific inquiries are performed to test predictions, verify ideas, and to learn about the natural world;

(iii) how the use of various technologies influences the investigations;

(iv) the essential role of mathematics in scientific inquiry;

(v) how science knowledge based on evidence adheres to established scientific criteria; and

(vi) that traditions govern the conduct of scientists.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) design and conduct a scientific investigation using one of the following high school inquiry standards:

(i) research process; or

(ii) issue analysis; or

(iii) field study; or

(iv) case study;

(2) apply appropriate learning and analysis technologies (for example, sensors and probes, graphing calculators, spreadsheets, computer simulations, field sampling equipment, and downlinks from real-time databases); and

(3) practice science safely, including:

(i) using equipment properly and following other standard laboratory procedures;

(ii) identifying safety hazards and risk factors of technological equipment being used; and

(iii) using proper methods of disposing of chemicals and materials and knowing emergency procedures and the location and use of safety equipment.

Sec. 9. [CONCEPTS IN PHYSICS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Investigate and develop an understanding of the makeup, structure, and function of the physical world.

Subd. 2. [PART A.] A student shall demonstrate understanding of:

- (1) how forces can produce a variety of types of motions;
- (2) how the concepts of conservation of energy, momentum, and charge are used to analyze events and solve problems;
- (3) wave motion, including sound, light, and other electromagnetic waves;
- (4) electricity, magnetism, and electromagnetism;
- (5) the development of ideas in modern physics, including atomic and nuclear physics, relativity, quantum physics, and fundamental particles;
- (6) the history of science, including the historical significance of a major scientific or technological advance in physics and the importance of multiple contributions by individuals with diverse perspectives; and
- (7) the nature of science, including:
 - (i) how historical and current scientific concepts and knowledge guide scientific inquiries;
 - (ii) that scientific inquiries are performed to test predictions, verify ideas, and to learn about the natural world;
 - (iii) how the use of various technologies influences the investigations;
 - (iv) the essential role of mathematics in scientific inquiry;
 - (v) how science knowledge based on evidence adheres to established scientific criteria; and
 - (vi) that traditions govern the conduct of scientists.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) design and conduct a scientific investigation using one of the following high school inquiry standards:
 - (i) research process; or
 - (ii) issue analysis; or
 - (iii) field study; or
 - (iv) case study;
- (2) apply appropriate learning and analysis technologies (for example, sensors and probes, analysis with spreadsheets, computer simulations, and invention of equipment, tools, or circuits); and
- (3) practice science safely, including:
 - (i) using equipment properly and following other standard laboratory procedures;
 - (ii) identifying safety hazards and risk factors of technological equipment being used; and
 - (iii) using proper methods of disposing of chemicals or materials and knowing emergency procedures and the location and use of safety equipment.

Sec. 10. [ENVIRONMENTAL SYSTEMS - HIGH SCHOOL LEVEL.]

Subdivision 1. [PURPOSE.] Evaluate a local or regional environmental issue, select a solution, and prepare a plan to carry out the solution.

Subd. 2. [PART A.] A student shall have an understanding of:

- (1) environmental systems representing the interaction of natural and social systems;
- (2) local, regional, or global environmental issues (for example, personal and community health, population growth, natural resources, environmental quality, and natural and human induced hazards);
- (3) science concepts associated with environmental issues, including:
 - (i) processes that shape the earth (for example, forces that change the surface of the earth, energy flow, and material cycles in earth systems); and
 - (ii) characteristics and processes of living systems (for example, organisms, populations and communities, heredity and evolution, systems and connections, the flow of energy, and the cycling of matter);
- (4) types of social systems that interact with natural systems (for example, economic, political, and technological);
- (5) the historical significance of a major scientific or technological advance in environmental systems and the importance of multiple contributions by individuals with diverse perspectives; and
- (6) the nature of science in environmental systems, including:
 - (i) how historical and current understanding of natural systems guide environmental decision making;
 - (ii) that research and inquiries are performed to test ideas, verify ideas, and make predictions about changes in environmental systems;
 - (iii) how progress in science and technology are affected by social issues and challenges;
 - (iv) how environmental decisions involve assessment of alternatives, risks, costs, and benefits; and
 - (v) the traditions that govern the conduct of researchers.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) identify components of an existing local or regional environmental issue, including:
 - (i) scientific concepts related to or embedded in the issue; and
 - (ii) social systems involved in the issue;
- (2) conduct a science-based investigation of a local or regional environmental issue using the issue analysis standard from inquiry and research learning area;
- (3) develop and give rationale for a personal action plan designed to promote a specified solution;
- (4) apply appropriate learning and analysis technologies (for example, sensors and probes, graphing calculators, spreadsheets, computer simulations and models, field sampling equipment, and downlinks from real-time databases); and
- (5) practice science safely, including:

- (i) using equipment properly and following standard laboratory and field procedures;
- (ii) identifying safety hazards and risk factors of technological equipment being used;
- (iii) using proper methods for disposing of chemicals, field waste, and used materials; and
- (iv) knowing emergency procedures and the location and use of safety equipment.

Sec. 11. [REQUIRED SCIENCE STANDARDS FOR GRADUATION.]

High school students must complete standards from at least two of the science areas in sections 6 to 10 of this article.

ARTICLE 7

REQUIRED: SOCIAL SCIENCES

Section 1. [FAMILY, SCHOOL, AND COMMUNITY - PRIMARY.]

Subdivision 1. [PURPOSE.] Understand the interaction of the individual, family, school, community, and place.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) how individuals and groups responsibly meet wants and needs when resources (for example, food, shelter, and clothing) are scarce;
- (2) how citizens responsibly make choices by considering the needs of the individual, home, school, and community;
- (3) the location of the local community and country in relation to larger geographic area;
- (4) the location of major geographic features of the earth's surface;
- (5) the physical features of communities (for example, climate, vegetation, land forms, or bodies of water);
- (6) human features of communities (for example, population distribution, settlement patterns, or cultural diversity);
- (7) the reason for location of communities or features of communities;
- (8) the ethnic and national backgrounds of various community members; and
- (9) how different individuals respond differently to the same event.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) explain how the student's home region has changed over time;
- (2) create a timeline of personal history using simple historical research based on primary sources (for example, photos, personal artifacts, or family interviews);
- (3) create maps, including mental maps that show an understanding of the relative location of the community in relation to larger geographic areas; and
- (4) identify, investigate, discuss, and plan, based on wants and needs, how to improve the school, community, or environment.

Sec. 2. [HISTORICAL EVENTS - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Understand that historical events are influenced by multiple factors, including the contributions of key people; the influence of technology; and conflict, cooperation, and interdependence among people.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the multiple causes and effects of an historical event (for example, the causes of the American Revolution and the results of the conflict);

(2) how technology influences historical change (for example, the influence of railroads on the growth of the United States, the changes in sailing ships that allowed European exploration, or the development of irrigation systems in ancient cultures);

(3) the contribution of individuals to historical events (for example, the signers of the Declaration of Independence or modern civil rights leaders); and

(4) conflict, cooperation, and interdependence among individuals, groups, and nations through time (for example, the relationship between American Indians and Europeans in the early colonial period).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) create a brief historical narrative from the point of view of a community member by gathering primary and secondary historical information through interviews, photos, or other sources; and

(2) construct, read, and interpret timelines of key people and events from a variety of time periods.

Sec. 3. [GEOGRAPHY AND CITIZENSHIP - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Understand the role of citizens in their own communities and the interaction of people, places, and regions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) location and physical characteristics (for example, climate or natural resources) of the United States and selected world regions;

(2) human characteristics (for example, cultural, economic, political) or technological characteristics of United States and selected world regions;

(3) interactions of people in the United States and selected world regions;

(4) how local resources and products are moved throughout the world;

(5) how people of different regions and cultures interact with the environment;

(6) geographic origins of groups in the local community; and

(7) local community needs (for example, laws, rights, and responsibilities), resource needs, or health and safety issues.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) interpret and use information from maps and graphic representations;

(2) read a variety of different kinds of maps;

(3) create maps, including mental maps, showing the relative location of the community to the nation and the world;

(4) compare ways people of different cultures and regions interact with the physical environment;

(5) discuss, develop, participate in, and evaluate an activity that contributes to the improvement of the community; and

(6) describe ways to promote the values and principles of American democracy.

Sec. 4. [CURRENT ISSUE ANALYSIS - MIDDLE.]

Subdivision 1. [PURPOSE.] Defend a position concerning a current event or issue.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the history, facts, controversy, values, beliefs, and emotions surrounding a current event or issue;

(2) the range of positions and opinions surrounding a current event or issue; and

(3) the responsibility of citizens involved in the event or issue.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) summarize in an oral, written, or role-play form the central facts and opinions surrounding an issue;

(2) describe the impact of the issue on current or future events; and

(3) select and defend a position based on information and reasoning.

Sec. 5. [GEOGRAPHY AND CULTURE - MIDDLE.]

Subdivision 1. [PURPOSE.] Understand how events, the interactions of people, the development of culture, and economic development are influenced by physical and human geography.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) how regions of the world are defined in terms of location, natural resources, people and cultures, and physical features;

(2) the physical and cultural characteristics of selected regions;

(3) how regions and global systems are interconnected and interdependent;

(4) the economic development of regions (for example, the use of resources), the development of technology, or an increase in trade; and

(5) the impact of human and physical geography on current or historical issues that involve particular regions.

Subd. 3. [PART B.] A student shall demonstrate an ability to:

(1) construct and interpret maps, including mental maps, and other graphic representations that show the location of regions and the change of regions over time;

(2) construct and interpret maps, including mental maps, and other graphic representations that show the interaction of regions through the movement of people, ideas, or resources; and

(3) compare differences and similarities between world regions in, for example, their forms of government, topography, resource use, or ethnicity.

Sec. 6. [HISTORY AND CITIZENSHIP - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Understand the role of individuals and groups in influencing historical events.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the origin and influences of diverse ideas and beliefs in history (for example, the competing interests that lead to the formation of the Bill of Rights);

(2) the facts, sequences, and patterns within a historical period (for example, colonization patterns and the response of the American Indians);

(3) themes of change (for example, significant immigration periods in United States history and their impact on society);

(4) a continuum of change in a local community or institution;

(5) the role of individuals and groups in influencing change through political processes, legal processes, or other means; and

(6) how people become citizens and how citizens contribute to a changing community through participation.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) create an historical narrative, based on primary and secondary sources, that draws conclusions about historical events and participants and shows an understanding of chronology;

(2) construct and interpret thematic or multitiered timelines to compare eras or to compare different ideas or places within the same era; and

(3) use civic dialogue and an actual or simulated political process to examine issues involving rights, roles, and responsibilities.

Sec. 7. [THEMES OF UNITED STATES HISTORY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand the development of United States history through the study of foundational documents, historical themes, historical eras, and diverse perspectives.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the historical influence of foundational primary documents, including the Declaration of Independence and the United States Constitution;

(2) cultural, political, social, scientific, or economic themes related to key people, events, and concepts in historical eras of the United States (for example, the convergence of people, Civil War and Reconstruction, the Great Depression, or contemporary United States); and

(3) how diverse ideas or beliefs have influenced different eras of United States history, including tribal sovereignty and the relationship between American Indian tribal governments and federal and state government in earlier eras or in recent times.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) formulate historical questions and defend historical positions using evidence from primary and secondary sources representing a variety of perspectives;

(2) analyze historical issues and evaluate the impact of historical decisions; and

(3) think chronologically (for example, through developing historical narrative or through constructing and interpreting thematic and multitiered timelines).

Sec. 8. [UNITED STATES CITIZENSHIP - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understands the foundations, rights, and responsibilities of United States citizenship.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the foundations, rights, and responsibilities of United States citizenship;

(2) how the United States Constitution and other foundational documents embody the principles and ideals of a democratic republic;

(3) the rights and responsibilities of citizens, noncitizens, and dual citizens;

(4) the formal and informal structures of government, including how interest groups exercise power; and

(5) how citizens affect local, national, and foreign policy.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) use research and civic dialogue to examine issues involving rights, roles, and the status of individuals in relation to the general welfare of society; and

(2) observe, analyze, and interact with an actual or simulated governmental process.

Sec. 9. [DIVERSE PERSPECTIVES - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Evaluate events and actions from diverse United States and world perspectives.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) how race, culture, gender, and disability may influence beliefs, actions, and world view;

(2) how the same data can be interpreted differently depending upon perspectives, goals, attitudes, personal history, culture, or other factors;

(3) issues, topics, or concepts around which disagreement or ambiguity exist; and

(4) two or more alternative points of view for one issue, topic, event, or concept around which disagreement or ambiguity exists.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) describe, explain, and compare points of view concerning an issue, including the reasons for alternative points of view;

(2) evaluate events and actions from diverse United States and world perspectives; and

(3) analyze how interpretation is affected by omitting viewpoints.

Sec. 10. [HUMAN GEOGRAPHY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand how people interact with the environment, how people of different regions interact with each other, and how conflict or change results from these interactions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the location of major places, regions, and geographic features on the surface of the earth;

(2) the physical processes that shape patterns on the earth's surface;

(3) the physical and cultural characteristics of places and regions;

(4) how the environment is modified by and modifies human activity;

(5) how changing relationships between humans and the physical environment influences the characteristics of places;

(6) how places, regions, and global systems are interconnected through the movement of people, ideas, resources, and other cultural characteristics; and

(7) how changes in the patterns of human interaction result in changes in the cultural landscape.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) interpret and communicate geographic information through maps and other graphic tools and geographic information systems;

(2) predict changes or trends in physical or cultural landscape based on changes in spatial patterns or other geographic information; and

(3) use a geographic perspective in the analysis of a dispute over land use, resource utilization, or political control of territory.

Sec. 11. [INSTITUTIONS AND TRADITIONS IN SOCIETY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand the interaction and development of individuals, groups, and institutions.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) institutions (for example, family, religion, educational, economic, or political institutions) and the traditions of those institutions;

(2) societal concepts that influence the interaction among individuals, groups, and society;

(3) how societal concepts and institutions develop and change over time;

(4) how cultural diversity affects conflict and cohesion within and across groups and institutions; and

(5) tensions between individuality and conformity and the groups that influence the tensions (for example, family, peer groups, or the media).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) use observation, surveys, sampling, or other research to analyze how roles, status, and societal class affect interaction in groups and institutions; and

(2) analyze how institutions affect continuity and change.

Sec. 12. [COMMUNITY INTERACTION - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand the relationships between organizations and the communities they serve through direct service or experience.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the types of organizations that serve the community and the types of assistance they offer;

(2) how organizations assess community needs; and

(3) how individuals can work to improve the community.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) conduct a needs assessment to determine the impact of an issue, event, or service on the community; and

(2) suggest, apply, and evaluate strategies designed to improve the community through direct service or other authentic experience.

Sec. 13. [WORLD HISTORY AND CULTURES - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand historical developments that gave rise to human societies.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) processes that influence the formation of human societies (for example, the development of agriculture or the development of institutions);

(2) characteristics of emerging and spreading civilizations (for example, increased influence through trade or conquest);

(3) processes of change within societies, including reform and revolution;

(4) causes and effects of political, social, or cultural exchanges and encounters (for example, the contact between Mesoamerican civilizations and the Spanish);

(5) patterns of global transformations and the rise of an interdependent world; and

(6) unifying themes across historical eras or across world regions in the same era.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) formulate a historical question about an event, issue, era, region, or culture;

(2) evaluate a historical question for research feasibility;

(3) gather information from secondary sources and original primary or translated sources; and

(4) present research findings, including conclusions about the historical question, bias and perspective in sources, limitations of the investigation because of time or distance from sources, and possible questions for further research.

ARTICLE 8

REQUIRED: ARTS AND LITERATURE

Section 1. [ARTISTIC EXPRESSION - PRIMARY.]

Subdivision 1. [PURPOSE.] Use artistic processes to create, perform, and interpret art works in at least three of the following arts areas.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DANCE.]

(i) the elements of dance, including action, space, time, and energy; and

(ii) characteristics of dance from a variety of cultures and historical times;

(2) [MUSIC.]

(i) the elements of music, including melody, rhythm, harmony, dynamics, tone color, texture, and form; and

(ii) characteristics of music from a variety of cultures and historical times;

(3) [THEATER.]

(i) the elements of theater, including plot, theme, character, language, sound, and spectacle; and

(ii) characteristics of theater from a variety of cultures and historical times; or

(4) [VISUAL ARTS.]

(i) the elements of visual art, including color, line, shape, form, texture, and space; and

(ii) characteristics of visual art from a variety of cultures and historical times.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DANCE.]

(i) use basic movement skills in musical or rhythmic contexts; and

(ii) create and perform sequences of movement with a beginning, middle, and end to communicate a story, life experience, theme, or idea;

(2) [MUSIC.]

(i) sing a varied repertoire of songs in a group;

(ii) improvise and compose on classroom instruments to communicate an idea;

(iii) play simple rhythms and melodies on classroom instruments; and

(iv) read and write music using a system of notation;

(3) [THEATER.]

(i) use movement, sound, and language to create images and express ideas;

(ii) create characterizations of animals, objects, or shapes; and

(iii) communicate a story and character using voice, movement, costume, and props; or

(4) [VISUAL ARTS.]

(i) use the tools, basic skills, and techniques of at least three different mediums; and

(ii) create original works of art to communicate ideas.

Sec. 2. [ARTISTIC EXPRESSION - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Use artistic processes to create, perform, and interpret art works in at least three of the following arts areas.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DANCE.]

(i) components of dance:

(A) elements, including action, space, time and energy;

(B) principles of choreography (for example, repetition, pattern, or unity); and

(C) vocabulary;

(ii) cultural and historical forms or traditions of dance; and

(iii) how dance elements are similar to and different from the elements of other arts areas (for example, music, theater, or visual arts);

(2) [MUSIC.]

(i) components of music:

(A) elements, including melody, rhythm, harmony, dynamics, tone color, texture, and form; and

(B) vocabulary;

(ii) cultural and historical forms or traditions of music; and

(iii) how musical elements are similar to and different from the elements of other arts areas (for example, dance, theater, or visual arts);

(3) [THEATER.]

(i) components of theater:

(A) elements, including plot, theme, character, language, sound, and spectacle;

(B) forms (for example, tragedy, comedy, farce, or melodrama); and

(C) vocabulary;

(ii) cultural and historical forms or traditions of theater; and

(iii) how theater elements are similar to and different from the elements of other arts areas (for example, dance, music, or visual arts); or

(4) [VISUAL ARTS.]

(i) components of visual arts:

(A) elements, including color, line, shape, form, texture, and space;

(B) principles (for example, repetition, contrast, or balance); and

(C) vocabulary;

(ii) cultural and historical forms or traditions of visual arts; and

(iii) how visual arts elements are similar to and different from the elements of other arts areas (for example, dance, music, or theater).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DANCE.]

(i) perform characteristic movements and styles of dance from more than one form or tradition;

(ii) create movement sequences with or without music; and

(iii) generate multiple responses to movement ideas;

(2) [MUSIC.]

(i) sing or play traditional instruments alone and sing rounds and part songs or play traditional instruments in a group;

(ii) improvise and compose rhythms, melodies, and accompaniments using classroom instruments, voice, or both to express a specific musical idea;

(iii) perform rhythmic, melodic, and harmonic patterns on classroom instruments; and

(iv) read and write music using a system of musical notation;

(3) [THEATER.]

(i) create a character based on fiction or life experience using movement, voice, costume, and props; and

(ii) create a dramatic performance by interpreting and adapting the plot, characters, and language from an existing piece of literature; or

(4) [VISUAL ARTS.]

- (i) use elements, principles, skills, and techniques of at least three different mediums; and
- (ii) create original works of art to express specific artistic ideas.

Sec. 3. [ARTISTIC INTERPRETATION - MIDDLE.]

Subdivision 1. [PURPOSE.] Use artistic processes to analyze and interpret a variety of works in at least three of the following arts areas.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DANCE.]

(i) how the components of dance are used to convey meaning:

(A) elements, including action, space, time, and energy;

(B) principles of choreography (for example, repetition, pattern, or unity);

(C) vocabulary;

(D) styles (for example, tap, ballet, or modern); and

(E) choreographic structures (for example, theme and variation);

(ii) the connection between a work in dance, its purpose, and its cultural and historical contexts; and

(iii) how the principles and vocabulary of dance are similar to and different from other arts areas (for example, music, theater, or visual art);

(2) [MUSIC.]

(i) how the components of music are used to convey meaning:

(A) elements, including melody, rhythm, harmony, dynamics, tone color, texture, and form;

(B) vocabulary;

(C) styles (for example, blues, jazz, or opera); and

(D) structures (for example, ABA);

(ii) the connection between a work of music, its purpose, and its cultural and historical contexts; and

(iii) how the vocabulary of music is similar to and different from other arts areas (for example, dance, theater, or visual arts);

(3) [THEATER.]

(i) how the components of theater are used to convey meaning:

(A) elements, including plot, theme, character, language, sound, and spectacle;

(B) forms (for example, tragedy, comedy, farce, or melodrama);

(C) vocabulary;

(D) styles (for example, romantic or classical); and

(E) structures (for example, chronological or nonlinear);

(ii) the connection between a work in theater, its purpose, and its cultural and historical contexts; and

(iii) how the forms and vocabulary of theater are similar to and different from other arts areas (for example, dance, music, or visual arts); or

(4) [VISUAL ARTS.]

(i) how the components of visual arts are used to convey meaning:

(A) elements, including color, line, shape, form, texture, and space;

(B) principles (for example, repetition, contrast, or balance);

(C) vocabulary;

(D) styles (for example, abstract or impressionist); and

(E) structures (for example, two dimensional or three dimensional);

(ii) the connection between a visual art work, its purpose, and its cultural and historical contexts; and

(iii) how the principles and vocabulary of visual art are similar to and different from other arts areas (for example, dance, music, or theater).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DANCE.]

(i) communicate a personal reaction to performances of original works or interpretations and performances of existing works in dance using the components of dance; and

(ii) use criteria to evaluate performances in dance;

(2) [MUSIC.]

(i) communicate a personal reaction to performances of original works, compositions, or interpretations and performances of existing music using the components of music; and

(ii) use criteria to evaluate musical performances;

(3) [THEATER.]

(i) communicate a personal reaction to performances of original works or interpretations and performances of existing works in theater using the components of theater; and

(ii) use criteria to evaluate performances in theater; or

(4) [VISUAL ARTS.]

(i) communicate a personal reaction to works in visual art using the components of visual art; and

(ii) use criteria to evaluate works of visual art.

Sec. 4. [ARTISTIC CREATIVITY AND PERFORMANCE - MIDDLE.]

Subdivision 1. [PURPOSE.] Use artistic processes to create and perform in at least three of the following arts areas.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DANCE.]

(i) components of dance:

- (A) elements, including action, space, time, and energy;
 - (B) principles of choreography (for example, repetition, pattern, or unity);
 - (C) vocabulary;
 - (D) styles (for example, tap, ballet, or modern); and
 - (E) choreographic structures (for example, theme and variation);
 - (ii) technical skills of dance (for example, alignment, locomotor, or nonlocomotor movement skills); and
 - (iii) how audience and occasion affect artistic choices in creating and performing dance;
- (2) [MUSIC.]
- (i) the components of music:
 - (A) elements, including melody, rhythm, harmony, dynamics, tone color, texture, and form;
 - (B) vocabulary;
 - (C) styles (for example, blues, jazz, or opera); and
 - (D) structures (for example, ABA);
 - (ii) technical skills of music (for example, singing or playing instruments); and
 - (iii) how audience and occasion affect artistic choices when composing and performing music;
- (3) [THEATER.]
- (i) the components of theater:
 - (A) elements, including plot, theme, character, language, sound, and spectacle;
 - (B) forms (for example, tragedy, comedy, farce, or melodrama);
 - (C) vocabulary;
 - (D) styles (for example, romantic or classical); and
 - (E) structures (for example, chronological or nonlinear);
 - (ii) technical skills in the theater (for example, scenery or prop design); and
 - (iii) how audience and occasion affect artistic choices in creation and performance in theater; or
- (4) [VISUAL ARTS.]
- (i) the components of visual art:
 - (A) elements, including color, line, shape, form, texture, and space;
 - (B) principles (for example, repetition, contrast, or balance);
 - (C) vocabulary;
 - (D) styles (for example, abstract or impressionist); and
 - (E) structures (for example, two dimensional or three dimensional);
 - (ii) technical skills of visual arts (for example, selecting and using tools and techniques of the medium); and

(iii) how audience and occasion affect artistic choices in creation of visual art.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DANCE.]

(i) use artistic processes to create and perform in a variety of dance contexts;

(ii) express and communicate ideas using the components of dance;

(iii) use improvisation to generate ideas for artistic expression in dance;

(iv) make and explain artistic choices in creating and performing dance; and

(v) use feedback to revise both creation and performance of dance;

(2) [MUSIC.]

(i) use artistic processes to create and perform in a variety of musical contexts;

(ii) express and communicate ideas using the components of music;

(iii) use improvisation and composition to generate ideas for artistic expression in music;

(iv) make and explain artistic choices in composing and performing music; and

(v) use feedback to revise musical creation or performance;

(3) [THEATER.]

(i) use artistic processes to create and perform in a variety of theater contexts;

(ii) express and communicate ideas using the components of theater;

(iii) use improvisation to generate ideas for creating and performing in theater;

(iv) make and explain artistic choices in creation and performance; and

(v) use feedback to revise creation or performance in theater; or

(4) [VISUAL ARTS.]

(i) use artistic processes to create in a variety of visual art contexts;

(ii) express and communicate ideas using the components of visual arts;

(iii) generate ideas for artistic expression in visual arts;

(iv) make and explain artistic choices in creating visual art; and

(v) use feedback to revise artistic expression in visual art.

Sec. 5. [ANALYSIS AND INTERPRETATION - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Apply artistic process to analyze, interpret, and evaluate art works. (Must be completed in literature. This standard may be repeated in dance, media arts, music, theater, or visual arts as an elective.)

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [DANCE.]

(i) how a synthesis of the components of dance is used to define a work in dance:

(A) elements, including action, space, time, and energy;

- (B) principles of choreography (for example, repetition, pattern, or unity);
 - (C) vocabulary;
 - (D) choreographic structures (for example, theme and variation);
 - (E) styles (for example, tap, ballet, or modern); and
 - (F) technical skills (for example, alignment, locomotor, or nonlocomotor movement);
 - (ii) the similarities and differences among the styles and choreographic structures within dance;
 - (iii) how the selection of criteria affects criticism of a dance creation, interpretation, or performance; and
 - (iv) the connections between dance and other disciplines outside the arts (for example, mathematics, science, or history);
- (2) [LITERATURE.]
- (i) how a synthesis of the components of literature is used to define a work of literature:
 - (A) elements, including plot, character, setting, imagery, theme, point of view, and conflict;
 - (B) principles (for example, balance or repetition);
 - (C) vocabulary;
 - (D) structural forms (for example, short story, novella, or prose poem);
 - (E) styles (for example, classical, romantic, or gothic); and
 - (F) technical skills (for example, organization or focus);
 - (ii) the similarities and differences among the structural forms and styles within literature;
 - (iii) how the selection of criteria affects literary criticism; and
 - (iv) the connections between literature and other disciplines outside the arts (for example, mathematics, science, or history);
- (3) [MEDIA ARTS.]
- (i) how a synthesis of the components of media arts is used to define a work in media arts:
 - (A) elements, including image, sound, space, time, motion, and sequence;
 - (B) principles (for example, repetition, unity, or contrast);
 - (C) vocabulary;
 - (D) structures (for example, chronological or spatial);
 - (E) styles (for example, documentary, narrative, or abstract); and
 - (F) technical skills (for example, selection and use of the tools of the medium);
 - (ii) the similarities and differences among the structures and styles within media arts;
 - (iii) how the selection of criteria affects criticism of a work in media arts; and
 - (iv) the connections between media arts and other disciplines outside the arts (for example, mathematics, science, or history);
- (4) [MUSIC.]

(i) how a synthesis of the components of music is used to define a composition, interpretation, or performance in music:

(A) elements, including melody, rhythm, harmony, dynamics, tone color, texture, and form;

(B) vocabulary;

(C) styles (for example, blues, jazz, or opera);

(D) structures (for example, ABA); and

(E) technical skills (for example, singing or playing instruments);

(ii) the similarities and differences among the structures and styles within music;

(iii) how the selection of criteria affects criticism of a musical composition, interpretation, or performance; and

(iv) the connections between music and other disciplines outside the arts (for example, mathematics, science, or history);

(5) [THEATER.]

(i) how a synthesis of the components of theater are used to define a work in theater:

(A) elements, including plot, theme, character, language, sound, and spectacle;

(B) forms (for example, tragedy, comedy, farce, or melodrama);

(C) vocabulary;

(D) styles (for example, romantic or classical);

(E) structures (for example, chronological or nonlinear); and

(F) technical skills (for example, scenery or prop design);

(ii) the similarities and differences among the structures and styles within theater;

(iii) how the selection of criteria affects criticism of a theater creation, interpretation, or performance; and

(iv) the connections between theater and other disciplines outside the arts (for example, mathematics, science, or history); and

(6) [VISUAL ARTS.]

(i) how a synthesis of the components of visual arts is used to define a work in visual art:

(A) elements, including color, line, shape, form, texture, and space;

(B) principles (for example, repetition, contrast, or balance);

(C) vocabulary;

(D) styles (for example, abstract or impressionist);

(E) structures (for example, two dimensional or three dimensional); and

(F) technical skills (for example, selecting and using tools and techniques of the medium);

(ii) the similarities and differences among the structures and styles within visual arts;

(iii) how the selection of criteria affects criticism of a work in visual arts; and

(iv) the connections between visual arts and other disciplines outside the arts (for example, mathematics, science, or history).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) [DANCE.]

(i) select criteria for evaluating the performances of original dances or the interpretations and performances of existing dances;

(ii) analyze and interpret dance through its historical, cultural, or social context;

(iii) support personal reactions to the performances of original dances or the interpretations and performances of existing dances using the components of dance; and

(iv) articulate informed evaluations of performances of original dances or the interpretations and performances of existing dances using selected criteria;

(2) [LITERATURE.]

(i) select criteria for evaluating literature;

(ii) analyze and interpret literature through its historical, cultural, or social context;

(iii) support personal reactions to literature using the components of literature; and

(iv) articulate informed evaluations of literature using selected criteria;

(3) [MEDIA ARTS.]

(i) select criteria for evaluating works in media arts;

(ii) analyze and interpret media art through its historical, cultural, or social context;

(iii) support personal reactions to media art works using the components of media arts; and

(iv) articulate informed evaluations of media art works using selected criteria;

(4) [MUSIC.]

(i) select criteria for evaluating the performances of original compositions or the interpretations and performances of existing compositions;

(ii) analyze and interpret music through its historical, cultural, or social context;

(iii) support personal reactions to performances of original compositions or the interpretations and performances of existing compositions using the components of music; and

(iv) articulate informed evaluations of performances of original compositions or the interpretations and performances of existing compositions using selected criteria;

(5) [THEATER.]

(i) select criteria for evaluating performances of original works or the interpretation and performance of existing works in theater;

(ii) analyze and interpret theater through its historical, cultural, or social context;

(iii) support personal reactions to original works or the interpretation and performance of existing works in theater using the components of theater; and

(iv) articulate informed evaluations of original works or the interpretation and performance of existing works in theater using selected criteria; and

(6) [VISUAL ARTS.]

- (i) select criteria for evaluating visual art works;
- (ii) analyze and interpret visual art through its historical, cultural, or social context;
- (iii) support personal reactions to visual art works using the components of visual arts; and
- (iv) articulate informed evaluations of visual art works using selected criteria.

Sec. 6. [CREATION AND PERFORMANCE - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Use artistic processes to create original or perform existing works of art. (Must be completed in dance, media arts, music, theater, or visual arts. May be completed in a different art form or in creative writing as an elective.)

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) [CREATIVE WRITING.]

- (i) the integration of components of creative writing:
 - (A) elements, including plot, character, setting, imagery, theme, point of view, and conflict;
 - (B) principles (for example, balance or repetition);
 - (C) vocabulary;
 - (D) structural forms (for example, short story, novella, or prose poem);
 - (E) styles (for example, classical, romantic, or gothic); and
 - (F) technical skills (for example, organization or focus); and

(ii) the cultural, historical, or social contexts that influence the creation of the writing;

(2) [DANCE.]

- (i) the integration of components of dance:
 - (A) elements, including action, space, time, and energy;
 - (B) principles of choreography (for example, repetition, pattern, or unity);
 - (C) vocabulary;
 - (D) choreographic structures (for example, theme and variation);
 - (E) styles (for example, tap, ballet, or modern); and
 - (F) technical skills (for example, alignment, locomotor, or nonlocomotor movement); and

(ii) the cultural, historical, or social contexts that influence the creation, interpretation, or performance of dance works;

(3) [MEDIA ARTS.]

- (i) the integration of components of media arts:
 - (A) elements, including image, sound, space, time, motion, and sequence;
 - (B) principles (for example, repetition, unity, or contrast);
 - (C) vocabulary;

- (D) structures (for example, chronological or spatial);
 - (E) styles (for example, documentary, narrative, or abstract); and
 - (F) technical skills (for example, selection and use of the tools of the medium); and
 - (ii) the cultural, historical, or social contexts that influence the creation of media arts;
 - (4) [MUSIC.]
 - (i) the integration of components of music:
 - (A) elements, including melody, rhythm, harmony, dynamics, tone color, texture, and form;
 - (B) vocabulary;
 - (C) styles (for example, blues, jazz, or opera);
 - (D) structures (for example, ABA); and
 - (E) technical skills (for example, singing or playing instruments); and
 - (ii) the cultural, historical, or social contexts that influence the creation, interpretation, or performance of music;
 - (5) [THEATER.]
 - (i) the integration of components of theater:
 - (A) elements, including plot, theme, character, language, sound, and spectacle;
 - (B) forms (for example, tragedy, comedy, farce, or melodrama);
 - (C) vocabulary;
 - (D) styles (for example, romantic or classical);
 - (E) structures (for example, chronological or nonlinear); and
 - (F) technical skills (for example, scenery or prop design); and
 - (ii) the cultural, historical, or social contexts that influence creation, interpretation, or performance in theater; and
 - (6) [VISUAL ARTS.]
 - (i) the integration of components of visual arts:
 - (A) elements, including color, line, shape, form, texture, and space;
 - (B) principles (for example, repetition, contrast, or balance);
 - (C) vocabulary;
 - (D) styles (for example, abstract or impressionist);
 - (E) structures (for example, two dimensional or three dimensional); and
 - (F) technical skills (for example, selecting and using tools and techniques of the medium); and
 - (ii) the cultural, historical, or social contexts that influence creation of visual art.
- Subd. 3. [PART B.] A student shall demonstrate the ability to:
- (1) [CREATIVE WRITING.]

- (i) use artistic processes to create a single, complex work or multiple works in creative writing;
- (ii) generate and clarify artistic intent for writing;
- (iii) make decisions based on artistic intent;
- (iv) make choices based on analysis of audience and occasion for writing; and
- (v) revise writing using multiple sources of critique and feedback;

(2) [DANCE.]

(i) use artistic processes to create an original or perform an existing single, complex work or multiple works in dance;

- (ii) use improvisation to generate original ideas for work in dance;
- (iii) make decisions based on artistic intent;
- (iv) make choices based on analysis of audience and occasion for dance; and
- (v) revise dance using multiple sources of critique and feedback;

(3) [MEDIA ARTS.]

- (i) use artistic processes to create a single, complex work or multiple works in media arts;
- (ii) generate and clarify artistic intent for work in media arts;
- (iii) make decisions based on artistic intent;
- (iv) make choices based on analysis of audience and occasion for media art work; and
- (v) revise media art work using multiple sources of critique and feedback;

(4) [MUSIC.]

(i) use artistic processes to create an original or perform an existing single, complex work or multiple works in music;

- (ii) use improvisation to generate original ideas for music composition or performance;
- (iii) make decisions based on artistic intent;

(iv) make choices based on analysis of audience and occasion for music composition, interpretation, or performance; and

(v) revise music composition, interpretation, or performance using multiple sources of critique and feedback;

(5) [THEATER.]

(i) use artistic processes to create an original or perform an existing single, complex work or multiple works in theater;

- (ii) use improvisation to generate original ideas for theater work;
- (iii) make decisions based on artistic intent;
- (iv) make choices based on analysis of audience and occasion for theater work; and

(v) revise original creation or interpretation and performance of existing work in theater using multiple sources of critique and feedback; and

(6) [VISUAL ARTS.]

- (i) use artistic processes to create a single, complex work or multiple works in visual arts;
- (ii) generate and clarify artistic intent for work in visual art;
- (iii) make decisions based on artistic intent;
- (iv) make choices based on analysis of audience and occasion for work in visual art; and
- (v) revise visual art work using multiple sources of critique and feedback.

ARTICLE 9

ECONOMICS, TECHNOLOGY, AND SYSTEMS MANAGEMENT

Section 1. [INTRODUCTION TO TECHNOLOGY - PRIMARY.]

Subdivision 1. [PURPOSE.] Exposure to the basic concepts of the technological world.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) technological world:

- (i) a definition of technology;
- (ii) the application of a variety of technologies in, for example, buildings, bicycles, or telephones;
- (iii) differences between natural and human-made worlds;
- (iv) how needs and wants encourage the development of technology;
- (v) how technology can supply more than one solution to a problem; and
- (vi) the interrelationship between basic technological systems and the interdependence of primary parts within a single system (for example, a bicycle is part of a transportation system and is made up of several subsystems such as steering, braking, and power); and

(2) computer applications: appropriate computer technology to access information and produce products.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) technological world:

- (i) document positive and negative effects of the use of a technology from a social and environmental perspective;
 - (ii) develop designs or invent solutions to address human needs and wants;
 - (iii) construct a model of a solution using a design process;
 - (iv) use tools, materials and equipment to explore medical technologies, agricultural and related biotechnologies, energy and power technologies, information and communication technologies, transportation technologies, manufacturing technologies, or construction technologies; and
 - (v) explore and demonstrate how the parts of a specific technological system work; and
- (2) computer applications:
- (i) identify and use the basic parts of a computer system;
 - (ii) gather information from electronic sources; and

(iii) use software applications to produce products, including text and graphics appropriate for the purpose and audience.

Sec. 2. [TECHNOLOGY SKILLS - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Explore and apply technologies.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) technological world:

(i) core technology concepts, including systems, resources, requirements, and processes;

(ii) the interrelationship between systems and subsystems in technology (for example, a television as part of a communication system);

(iii) parameters, including costs, materials, safety, and size constraints that must be considered in design; and

(iv) the design process, including needs identification, task definition, information-seeking strategies, use of information, synthesis, and evaluation; and

(2) computer applications: appropriate computer technology to access, evaluate, and organize information to complete products.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) technological world:

(i) investigate and explain how technology has altered peoples' perceptions of the world;

(ii) identify connections between human wants and needs and technological developments;

(iii) troubleshoot in order to determine why something does not work;

(iv) follow step-by-step directions to safely assemble or create a product;

(v) correctly select and use tools;

(vi) analyze a technical device in order to identify the system and subsystems;

(vii) apply the design process to model, test, evaluate, and modify a design solution; and

(viii) use multiple technologies to design a solution to a problem in a technology cluster, including medical technologies, agricultural and related biotechnologies, energy and power technologies, information and communication technologies, transportation technologies, manufacturing technologies, or construction technologies; and

(2) computer applications:

(i) gather, evaluate, and organize information from electronic sources;

(ii) use software applications and peripheral devices to complete a project by selecting language, format and graphics, appropriate for the purpose and audience;

(iii) select and appropriately use input devices/sources (for example, keyboard, voice recognition software, or electronic tablets to enter data); and

(iv) select and appropriately use output devices (for example, monitors, printers, audio out and projectors) to communicate information to an audience.

Sec. 3. [GROUP RESOURCES - MIDDLE.]

Subdivision 1. [PURPOSE.] Manage resources as a team to produce a product or service.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) basic principles of teamwork, including communication skills, conflict resolution, and problem solving;

(2) background information concerning the product or service to be produced;

(3) basic design principles, technologies, materials, and processing of materials; and

(4) how to manage resources as a team to produce a product or service, including human, material, and environmental.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) identify a product or service to be produced as a team;

(2) recognize and utilize each team member's skills and strengths;

(3) create a plan for the design of the product or service and determine the resources and technologies needed to execute, review, and revise the plan based on available resources;

(4) produce a model of a proposed product or service;

(5) conduct a market survey of a proposed product or service;

(6) evaluate and test a proposed product or service to determine the viability of the product (for example, cost-effectiveness of producing the product or service);

(7) produce the product or service using appropriate technology; and

(8) evaluate the effectiveness of a team in managing human and nonhuman resources.

Sec. 4. [TECHNOLOGY APPLICATIONS - MIDDLE.]

Subdivision 1. [PURPOSE.] Participate in the development or creation of a technological product.

Subd. 2. [PART A.] A student shall demonstrate understanding of:

(1) technological world:

(i) the usefulness of technology in everyday situations;

(ii) core concepts of technology, including systems, resources, requirements, optimization and trade-offs, processes, and controls;

(iii) the positive and negative impact of technology on society and the impact society has on the development of technology;

(iv) the positive and negative impact that technological development has on the environment and the impact the environment has on the development of technology;

(v) the role of design in developing useful products and systems; and

(vi) how technology has changed the designed world, including medical technologies, agricultural and related biotechnologies, energy and power technologies, information and communication technologies, transportation technologies, manufacturing technologies, or construction technologies; and

(2) computer applications: identify the types of application software and explain their purpose or use.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) technological world:
 - (i) create or adapt a design for a useful product or system;
 - (ii) prepare a design model for testing, evaluation, and modification of a product or system;
 - (iii) identify the criteria, constraints, and resources necessary to produce a product or system;
 - (iv) develop the procedures for producing a product or system, including automation, tooling, safety, and quality controls;
 - (v) produce a product or system using appropriate technologies;
 - (vi) evaluate the impact of the designed product or system on society and the environment; and
 - (vii) identify the interrelationship of the designed product or system to other systems or subsystems; and
- (2) computer applications:
 - (i) select application software types appropriate for specific tasks;
 - (ii) select and apply the feature of software products (for example, galleries, templates, and macros); and
 - (iii) use software applications, including word processing, multimedia, spreadsheets, and databases to produce products by selecting language, format, and graphics appropriate for the purpose and audience.

Sec. 5. [PERSONAL AND CONSUMER LITERACY - MIDDLE.]

Subdivision 1. [PURPOSE.] Understand the impact of various purchases and effectively manage personal and financial resources.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the relationship between managing personal and financial resources and meeting goals or solving problems;
- (2) personal financial and nonfinancial resources, including time, money, energy, and skills;
- (3) factors that affect consumer decisions, including consumer rights and responsibilities, external influences, and the impact of purchases on household and local communities; and
- (4) the community and global impact of consumer decisions.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) implement a decision-making process in authentic personal and consumer situations to reach a goal or solve a problem, process, including, but not limited to:
 - (i) identifying an issue;
 - (ii) identifying financial and nonfinancial resources relevant to the goal or problem;
 - (iii) generating options or solutions;
 - (iv) identifying consequences of each option or solution;
 - (v) creating an action plan; and
 - (vi) evaluating the plan;
- (2) examine personal and household spending habits over a period of time;

(3) differentiate between wants and needs as they relate to available financial and nonfinancial resources and the impact they have on a total household budget;

(4) access information concerning consumer products;

(5) evaluate the quality of products or services;

(6) describe how purchases affect the environment and local community, including waste disposal, recycling, and limited resources;

(7) modify and implement the action plan; and

(8) evaluate the effectiveness of the plan.

Sec. 6. [NATURAL AND MANAGED SYSTEMS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Investigate the interaction and interdependence of natural and managed systems.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) natural systems, including human impact on the ecosystems and environmental changes;

(2) human managed systems, including micro and macro systems as they relate to bioengineering;

(3) resource utilization within a system, including land, capital, and human resources;

(4) economic value of local system as it relates to the surrounding systems; and

(5) environmental impact of a system as it relates to the local ecosystems.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) identify and explain the nature and scope of a natural and managed system;

(2) develop a resource management plan involving natural and managed systems;

(3) gather and synthesize the data necessary to properly:

(i) evaluate the environmental impact of a human managed system;

(ii) identify the interactive and interdependent relationship between natural and managed systems;

(iii) prepare an environmental impact statement;

(iv) analyze economic impact of a plan; and

(v) identify alternative actions and relevant historical perspectives;

(4) evaluate the interaction and interdependence of natural ecosystems and human managed systems detailing important system characteristic, including biological, physical, and human characteristics; and

(5) communicate the resource management plan involving natural and managed systems to a jury of peers by simulating a public hearing and defending an evaluation of the proposed system.

Sec. 7. [PERSONAL AND FAMILY FINANCIAL MANAGEMENT AND INVESTMENT - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Apply principles of personal and family resource management through informed decision making and use of appropriate technology.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) how consumer knowledge of the product, product standards, evaluation, and comparisons are combined to create informed consumer buying practices;

(2) options, issues, and requirements related to meeting individual and family housing needs;

(3) terminology used in private and public agencies, including, but not limited to, banking, investing, insurance, taxes, employment, and unemployment;

(4) how financial and nonfinancial resources are managed by an individual or family unit, including budgeting, spending, saving, insurance, and investing;

(5) how consumer decisions are affected by external influences (for example, media, peers, and technology); and

(6) how individuals and families make informed financial decisions and the impact of those decisions on the local, national, and global economy and environment.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) create a plan to make a major purchase by using consumer knowledge, product standards, and comparisons;

(2) create and analyze a household budget and explain how financial decisions affect the budget;

(3) prepare and explain personal federal and state income tax forms;

(4) simulate and explain the process of acquiring housing;

(5) apply a decision-making process to compare, contrast, and analyze options for banking, credit, insurance, and investing;

(6) determine and apply appropriate technology (for example, financial software, spreadsheets, Web shopping, electronic banking, and Internet tools for investments) to personal and family financial and investment situations; and

(7) explain and analyze the interrelated effect of the environmental and economic outcomes that are associated with consumer purchases.

Sec. 8. [BUSINESS MANAGEMENT - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Apply the fundamentals of business management through informed decision making.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) business management fundamentals, including planning, organizing, leading/directing, evaluating/controlling, human resources, and communication;

(2) management theories and procedures and their applications in the business environment, including banking services and forms of business organization; and

(3) financial data in order to make short-term and long-term decisions, including interpreting the data shown on financial statements, risk management, and short-term and long-term financing.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) apply personal management skills (for example, resource management, stress management, professional growth and development, communication skills, or relationship building) to function effectively and efficiently in a business environment;

(2) evaluate a business code of ethics and identify the source of regulations that have resulted from unethical business practices;

(3) analyze human resource functions (for example, recruitment and selection, employee development, employee evaluation, compensation, promotion benefits and incentives, separation and transition, labor relations, or work-related laws) and their importance to an organization's successful operation;

(4) utilize information and technology tools to conduct business effectively and efficiently (for example, select appropriate technology tools for specific business applications, information management, marketing, organizational or environmental costs, and analyzing the impact of an e-business on profitability); and

(5) use service strategies to address customer needs.

Sec. 9. [FINANCIAL SYSTEMS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Analyze and apply financial systems, information, and basic accounting principles.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) basic accounting principles related to the accounting cycle;

(2) the accounting process, including assets, liabilities, and owner's equity;

(3) financial systems related to accounting, including finance, investment, and real estate; and

(4) decision making related to financial systems.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) apply generally accepted accounting principles to determine the value of assets, liabilities, and owner's equity;

(2) prepare, interpret, and analyze financial statements using manual and computerized systems, including ratio analysis, comparative statements analysis, cost analysis, and trend analysis;

(3) apply appropriate accounting principles to payroll, income taxation, managerial systems, and various forms of ownership;

(4) create a report based on information obtained from data analysis, including selecting, interpreting and displaying data, and analyzing the effectiveness of past financial actions; and

(5) recommend course of action based on conclusions of data analysis using data to drive decision-making strategies.

Sec. 10. [TECHNICAL SYSTEMS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Develop expertise in the design, diagnosis, and operation of technical systems to solve problems and extend human capabilities.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the nature of technical systems, including the characteristics, scope, and core concepts of technology and the role technology plays within other fields;

(2) social, cultural, environmental, economic, and political effects on technology;

(3) the impacts of technology on society, culture, environment, economics, and politics;

(4) design principles, invention, and innovation; and

(5) the engineering systems model, including inputs, processes, outputs, and feedback.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) select a specific technology cluster, including medical technologies, agricultural and related biotechnologies, energy and power technologies, information and communication technologies, transportation technologies, manufacturing technologies, or construction technologies and apply the engineering design process to:

(i) propose a new or modified technological product, service, or system;

(ii) build, test, and evaluate a prototype or model of the technological product, service, or system;

(iii) identify the resources, requirements, optimizations and trade-offs, processes, and controls of the chosen technological system;

(iv) investigate and analyze the inputs, processes, outputs, and feedback of the specific technological system; and

(v) evaluate the relationship between the technological system and the environment and analyze other positive and negative effects of the system; and

(2) analyze the relationship of macro and micro technological systems.

Sec. 11. [ECONOMIC SYSTEMS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand how individuals, households, businesses, and governments use scarce resources to satisfy unlimited wants and needs.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the fundamental concepts of economics, including scarcity, opportunity cost, supply and demand, markets, economic growth, fiscal policy, monetary policy, and trade;

(2) how individuals, households, businesses, and governments allocate scarce resources to satisfy unlimited wants and needs;

(3) global, national, and local economic systems and how they interact; and

(4) the impact of government decisions on economic systems.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) apply economic concepts to a public issue;

(2) analyze how changes in the economy affect individuals, households, business, government, and the environment; and

(3) compare how decisions are made in different economic systems regarding what will be produced, how it will be produced, and for whom it will be produced.

ARTICLE 10

OPTIONAL: HEALTH, PHYSICAL EDUCATION, AND CAREER AWARENESS

Section 1. [PERSONAL HEALTH AND FITNESS - PRIMARY.]

Subdivision 1. [PURPOSE.] Understand and participate in activities that promote personal health, personal fitness, motor skills development, and develop and awareness of self and the world around them.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) health:

- (i) the relationship between personal behaviors and health promotion and disease prevention;
- (ii) basic health and personal hygiene practices;
- (iii) the essential concepts of nutrition and diet;
- (iv) safety rules and practices in home, school, or community (for example, bus, bicycle, fire, playground, car, or stranger safety);
- (v) self-awareness and interpersonal relationships;
- (vi) helpful and harmful substance; and
- (vii) structures and functions of body systems;

(2) physical education and fitness;

- (i) at least one activity associated with each component of health-related physical fitness (for example, cardiovascular fitness - jogging; muscular strength - push-ups; muscular endurance - curl-ups; and flexibility - stretching);
- (ii) changes that occur in the body during vigorous physical activity (for example, sweating, increased heart rate, and heavy breathing); and

(iii) safety principles in activity situations; and

(3) self-awareness;

- (i) a sense of self and others;
- (ii) the concept of goal setting, including defining and identifying goals;
- (iii) how a step-by-step process relates to making choices; and
- (iv) requirements needed to perform daily tasks.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) health:

- (i) apply a decision-making process to health issues and problems;
- (ii) practice and maintain good personal hygiene to enhance health;
- (iii) select foods to maintain good nutrition;
- (iv) recognize emergencies and respond appropriately;
- (v) identify and respond to feelings in appropriate ways; and
- (vi) use refusal skills to enhance health;

(2) physical education and fitness:

- (i) work to improve health-enhancing fitness;
- (ii) participate in an established fitness program;
- (iii) use mature locomotor movements (for example, hopping, skipping, galloping, sliding, running, leaping, jumping, or walking);
- (iv) use nonlocomotor skills (for example, balancing on a variety of body parts, bending, stretching, twisting, swinging, swaying, flexing, or extending);

- (v) work cooperatively with another to complete an assigned task;
- (vi) apply rules, procedures, and safety practices with little or no reinforcement; and
- (vii) combine locomotor, nonlocomotor, and manipulative skills in patterns/sequences; and

(3) self-awareness:

(i) explore an awareness of one's self, relate appropriately to others, and explore roles in a changing world; and

(ii) explore how tasks can be accomplished if broken down into small manageable steps and accomplished one step at a time.

Sec. 2. [PERSONAL HEALTH - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Use a decision-making model in daily life to promote personal health.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the signs of abusive and harassing behaviors;
- (2) the effects of using drugs, alcohol, and tobacco;
- (3) strategies to prevent the spread of communicable diseases;
- (4) common safety hazards and their prevention at school, home, or in the community;
- (5) proper nutrition and healthy eating;
- (6) interpersonal communication skills (for example, listening skills, refusal skills, "I" messages, and conflict resolution); and
- (7) basic body systems and growth and development of the human body.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) promote healthy behaviors (for example, nutrition, communication skills, community safety, recreation, sleep, and rest);
- (2) prevent or reduce the risk of unhealthy situations (for example, accidents, diseases, violence, abuse, harassment, drugs, alcohol, and tobacco);
- (3) analyze and select foods that contribute to a healthy diet;
- (4) demonstrate what to do in case of illness or injury;
- (5) analyze issues of safety at school, home, or in the community; and
- (6) recognize situations in daily life which require healthy decisions and apply a decision-making model.

Sec. 3. [PHYSICAL EDUCATION AND FITNESS - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Understand and participate in physical activities that develop motor skills and physical fitness.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) components of fitness, including cardiovascular fitness, muscular endurance, muscular strength, and flexibility;
- (2) components of various physical education activities, including:

- (i) rules;
- (ii) skills;
- (iii) strategies;
- (iv) etiquette;
- (v) procedures; and
- (vi) safety practices; and
- (3) stages of physical activity, including warm-up, workout, and cooldown.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) plan and participate in a fitness program (for example, fitness fever or teacher-facilitated plan);
- (2) show evidence of health-enhancing physical fitness (for example, activity-level inventory, any state or national fitness assessment, log, or journal);
- (3) combine mature forms of basic manipulative, locomotor, and nonlocomotor skills in activity situations (for example, dribbles and passes a basketball to a moving receiver); and
- (4) apply rules, procedures, and etiquette that are safe and effective for specific activity situations.

Sec. 4. [CAREER AWARENESS - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Create an awareness of a variety of career opportunities. Explore goal setting and a decision-making process as they relate to future choices.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) career fields and occupations within these fields, including agriculture and natural resources; arts, humanities, and communications; business, management, and administration; engineering, manufacturing, and technologies; health services; and human services;
- (2) how to define and set short- and long-term goals;
- (3) the connection between a person's choices and consequences and how they affect the world around them; and
- (4) the steps of a decision-making process and the importance of setting and achieving goals.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) identify areas of personal interests, aptitudes, and abilities;
- (2) explore how academic achievement and involvement in extra-curricular, leisure, family, and community activities reflect personal interests, aptitudes and abilities, and affect future possibilities;
- (3) practice social skills and appropriate self-management techniques;
- (4) explore a variety of traditional and nontraditional careers utilizing community resources; and
- (5) apply a decision-making process as it relates to goal setting for future possibilities.

Sec. 5. [PERSONAL HEALTH AND NUTRITION - MIDDLE.]

Subdivision 1. [PURPOSE.] Make informed decisions based on valid information to promote personal health and nutrition.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the impact of nutrition, including food selection, safety, eating and eating patterns, on health;

(2) the consequences of using tobacco, alcohol, and drugs;

(3) strategies for preventing accidents;

(4) what to do in case of sudden illness or injury;

(5) the health-related impact of environmental hazards;

(6) signs and symptoms of health problems that affect adolescents physically, socially, and mentally;

(7) sexual responsibility and the characteristics of healthy relationships;

(8) strategies for preventing:

(i) communicable diseases;

(ii) HIV and sexually transmitted infections; and

(iii) unintended pregnancy;

(9) how health is influenced by the interaction of body systems;

(10) where valid health information can be located at home, school, or in the community; and

(11) the interrelationship of physical, mental, and social health during adolescence.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) recognize and respond to abusive or harassing behaviors;

(2) apply a decision-making process relative to health issues:

(i) in light of personal goals;

(ii) analyze internal and external influences on health-related decisions (for example, interests, likes/dislikes, self-esteem, risks, curiosity, communication/media, parents, peers, ethnicity, technology, society, and geography);

(iii) consider valid health information and resources; and

(iv) consider the impact on health promotion and disease prevention;

(3) express needs and communicate effectively to enhance health, including refusal skills, negotiation skills, and conflict resolution skills;

(4) use strategies to manage stress;

(5) create and implement a nutritional health plan that includes:

(i) dietary recommendations with respect to personal needs, including age, gender, and activity level for a specific person; and

(ii) menus for a specified period of time; and

(6) demonstrate and analyze food preparation and safety skills.

Sec. 6. [PHYSICAL EDUCATION AND FITNESS - MIDDLE.]

Subdivision 1. [PURPOSE.] Understand fitness planning, apply a decision-making process to achieve physical fitness, and participate in physical activities to develop motor skills.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the benefits of daily participation in physical activities (for example, physical, mental, emotional, and social benefits);

(2) the components of fitness planning:

(i) assessment, including cardiovascular fitness, muscular endurance, muscular strength, and flexibility;

(ii) goal setting;

(iii) implementation of FITT strategies, including frequency, intensity, time, and type of activities;

(iv) reassessment, including cardiovascular fitness, muscular endurance, muscular strength, and flexibility;

(v) analysis of progress; and

(vi) evaluation of the proposed plan;

(3) critical elements of movement skills (for example, overhand throw, backswing, force phase, follow through);

(4) rules, skills, strategies, and etiquette required for three or more of the following:

(i) individual activities;

(ii) dual activities;

(iii) team activities;

(iv) dance/rhythmic activities; or

(v) outdoor activities; and

(5) the benefits and role of rules, procedures, safe practice, ethical behavior, and positive social interaction in physical activity settings.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) design and implement a fitness plan (for example, logging, journaling, making diary notes, charts, spreadsheets, or graphs);

(2) participate in health-enhancing physical fitness activities, including those that develop and maintain:

(i) cardiovascular fitness;

(ii) muscular endurance;

(iii) muscular strength; and

(iv) flexibility;

(3) analyze the effectiveness of the plan by comparing the preplan and postplan fitness levels;

(4) perform competently in a variety of movements, including three of the following:

(i) individual activities;

- (ii) dual activities;
- (iii) team activities;
- (iv) dance/rhythmic activities; or
- (v) outdoor activities; and

(5) reflect on the benefits and role of rules, procedures, safe practice, ethical behavior, and positive social interaction in physical activity settings.

Sec. 7. [CAREER EXPLORATION - MIDDLE.]

Subdivision 1. [PURPOSE.] Explore career options to make informed decisions concerning future possibilities.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) a variety of occupations within career fields and employment trends and career data for those occupations;
- (2) how interests, attributes, aptitudes, and academic achievement relate to different occupations and careers and how they relate to personal career choices;
- (3) job readiness skills and their importance in the work place; and
- (4) career and education options to make informed decisions for future life choices.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) determine personal interests, aptitudes, and abilities;
- (2) research, compare and contrast, and evaluate information on a variety of traditional and nontraditional careers and how they relate to their interests, aptitudes, and abilities;
- (3) investigate a career through authentic situations (for example, job shadowing, interviewing, volunteering, or community service);
- (4) apply a decision-making process to career choices based on the relationship among educational options, employment trends, and academic achievement;
- (5) create a portfolio, including an educational plan, interest inventories, letters of recommendation, and documented experiences; and
- (6) describe how career choices affect personal, family, and community life.

Sec. 8. [INDIVIDUAL AND COMMUNITY HEALTH - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Make informed decisions based on accurate information in order to promote individual and community health.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) Individual behaviors and community health practices that:
 - (i) promote healthful nutrition and dietary practices;
 - (ii) promote physical fitness;
 - (iii) promote mental and emotional health;
 - (iv) prevent tobacco use;
 - (v) prevent drug and alcohol use;

- (vi) prevent intentional and unintentional injuries;
- (vii) prevent HIV and sexually transmitted diseases; and
- (viii) prevent unintentional pregnancies;
- (2) how to advocate for personal, family, and community health;
- (3) how to identify health products, services, and information that reduce risks and promote health; and
- (4) how decisions and health practices in the following areas impact one another: nutrition, physical fitness, mental and emotional health, tobacco, drug, and alcohol use, intentional and unintentional injuries, HIV and sexually transmitted diseases, and unintentional pregnancies.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) assess and identify individual or community health needs;
- (2) evaluate an individual or community health assessment to develop goals and strategies for health enhancement and risk reduction;
- (3) implement goals and strategies to improve or maintain individual or community health;
- (4) evaluate the impact of the goals and strategies on health promotion and disease prevention/risk reduction;
- (5) evaluate the validity of health information, products, and services, which prevent disease and promote health;
- (6) analyze how health maintenance and disease prevention decisions are influenced by media, technological advancements, interpersonal communication skills, immediate and long-term risk factors, and culture;
- (7) evaluate the impact of decisions on individual, family, and community health;
- (8) apply effective communication/refusal skills as they relate to responsible decision making; and
- (9) design and conduct an in-depth study of an individual or community health need using one of the following high school inquiry standards:
 - (i) research process; or
 - (ii) issue analysis; or
 - (iii) case study.

Sec. 9. [PHYSICAL EDUCATION AND FITNESS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand training and movement principles, apply decision-making processes to develop and implement a plan to achieve fitness, and participate in fitness activities.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the principles of training necessary to achieve fitness;
- (2) the critical elements and the biomechanical concepts and principles of movement skills; and
- (3) the procedures, including safe practices, rules, etiquette, and strategies associated with physical activities.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) use a decision-making process to select appropriate physical activities to achieve fitness by designing, implementing, and evaluating a health-enhancing fitness plan, which includes:

(i) establishing current levels of cardiovascular fitness, muscular endurance, muscular strength, and flexibility;

(ii) setting personal goals for:

(A) physical fitness, including cardiovascular fitness, muscular endurance, muscular strength, and flexibility; and

(B) health enhancement (for example, stress management, nutrition, and enjoyment);

(iii) selecting training strategies using the following principles:

(A) FITT principle, including frequency, intensity, time, and types of activities;

(B) principle of overload;

(C) principle of progression; and

(D) principle of specificity;

(iv) implementing and monitoring the plan, including logging activities and making adjustments to the plan;

(v) reassessing levels of cardiovascular fitness, muscular endurance, muscular strength, and flexibility; and

(vi) analyzing and evaluating the effectiveness of the plan in helping to achieve fitness; and

(2) proficiently perform skills in:

(i) an aerobic activity;

(ii) at least two other physical fitness activities/movement forms; and

(iii) analyze a movement skill for improved performance using critical skill elements and biomechanical concepts and principles.

Sec. 10. [CAREER INVESTIGATION - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Investigate career choices through informed decision making.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) how employment trends, industry standards, career data, academic achievement, and technology affect career choices in relationship to life goals and personal attributes;

(2) how appropriate work-based behaviors contribute to job success; and

(3) how systems thinking can be used to evaluate and analyze how the workplace affects and interacts with the community and how they, in turn, affect an individual worker.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) investigate a specific traditional or nontraditional career choice by analyzing personal interests, abilities, and strengths;

(2) investigate a career through research and an authentic experience using multiple resources (for example, internships, mentorship, apprenticeship, job shadowing, interviews, volunteering, or community placement);

(3) explore and research a postsecondary program that meets a career preparation goal (for

example, postsecondary educational institution visits, military options, on-line searches, career fairs, or college fairs);

(4) analyze how a specific career choice affects personal, family, and community life;

(5) analyze the implication of the changing workplace on a specific career choice, including future skill development, personal growth, and developments in technology;

(6) establish a career action plan incorporating a decision-making process as it relates to career and life goals; and

(7) establish and evaluate the contents of a portfolio of job-seeking and placement documents, including a resume, cover letter, letters of recommendation, follow-up letter, and career action plan.

Sec. 11. [OCCUPATIONAL EXPERIENCE - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Experience authentic work situations and apply informed decision making to solve problems at the work site.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) current and future employment trends in a selected career field, including projected growth rate, percentage of traditional versus nontraditional employees, and use of new technologies;

(2) technical information, skills, and work-based behaviors required for a specific employment opportunity, including academic skills, communication skills, interpersonal skills, personal qualities, and thinking skills;

(3) all aspects of an industry, including planning, management, finances, technical and productions skills, principles of technology, labor and community issues, health and safety issues, environmental issues, and personal work habits; and

(4) current work-related laws and how they affect the employee, employer, and work environment.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) evaluate and analyze personal strengths, experiences, interests, and learning styles and how they relate to career choices;

(2) create a portfolio of job-seeking and placement documents, including the application, cover letter, resume, letters of recommendation, interviewing, and follow-up letter;

(3) apply job-seeking skills through an authentic hiring process experience;

(4) revise, implement, and maintain an educational plan to support career goals;

(5) apply a decision-making process to handle challenging situations as they occur at the workplace;

(6) analyze and evaluate conflicts and apply problem-solving strategies in work relationships, including employer-employee, coworker, and customer-client situations;

(7) identify and evaluate how technology, employee knowledge, and skills contribute to production of a product, service, or process on the job; and

(8) evaluate performance and work-based behaviors according to standards and expectations of the employer and personal job goals.

ARTICLE 11

INQUIRY AND RESEARCH

Section 1. [OBSERVATION AND INVESTIGATION - PRIMARY.]

Subdivision 1. [PURPOSE.] Gather, record, and display information to answer a question.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) categorizing and classifying of information; and
- (2) methods for recording and displaying information.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) gather information from media sources, direct observation, interviews and experiments, or investigation to answer a question;

- (2) record the gathered information;
- (3) categorize and classify information;
- (4) display the gathered information; and
- (5) explain the answer to the question.

Sec. 2. [OBSERVATION AND INVESTIGATION - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Gather, record, and display information to answer a question.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the effect of changing one variable in an investigation or experiment;
- (2) framing a question; and
- (3) the difference between primary and secondary sources.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) select a topic and frame a question, gather information from media sources, observation, and interviews;

- (2) select information from print and electronic media;
- (3) conduct an observation and write a detailed description;
- (4) conduct an interview with follow-up questions or design and conduct a survey;
- (5) record and organize information and report findings; and
- (6) evaluate findings to identify areas for further investigation.

Sec. 3. [DIRECT OBSERVATION - MIDDLE.]

Subdivision 1. [PURPOSE.] Gather, record, and display information to answer a scientific or social science question through direct observation.

Subd. 2. [PART A.] A student shall demonstrate an understanding of methods of primary research techniques, including:

- (1) observations;
- (2) interviews;
- (3) surveys; and
- (4) questionnaires.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) select a topic and frame a question;
- (2) collect, record, and organize data gathered through primary research techniques;
- (3) use direct observation to:
 - (i) collect, organize, and record data; and
 - (ii) look for patterns in observable data; and
- (4) display data in written, oral, visual, or electronic format to:
 - (i) compare findings to other findings on the topic;
 - (ii) relate findings to other situations;
 - (iii) answer a question or present a position using data;
 - (iv) identify areas for further study; and
 - (v) evaluate the question based on findings.

Sec. 4. [SOCIAL SCIENCE PROCESSES - HIGH SCHOOL.]

A student shall access sources of social science information and data to:

- (1) formulate a question about an historical event, issue, or interpretation of a concept;
- (2) create a plan for collecting and interpreting data;
- (3) evaluate a research problem for feasibility;
- (4) gather information through the primary research techniques of observations, interviews, surveys, or experiments; and
- (5) discuss research findings, including describing issues; describing the findings from a survey of literature; presenting primary data; identifying bias and context of data or findings; examining how the time period and location of data source affect the data; examining limitations of the investigation, research process, or findings; and formulating possibilities for further research.

Sec. 5. [RESEARCH PROCESS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Ask a question and investigate a variety of resources to answer or provide information for a discussion of the question.

Subd. 2. [PART A.] Students will demonstrate an understanding of:

- (1) primary research techniques, including quantitative and qualitative observations, structured and unstructured interviews, surveys, and questionnaires;
- (2) secondary sources (for example, reference books, the Internet, textbooks, and biographies); and
- (3) appropriate methods of data collection.

Subd. 3. [PART B.] Students shall demonstrate the ability to:

- (1) generate a clearly defined researchable question with subquestions;
- (2) evaluate the research question for feasibility;
- (3) create a plan for collecting and interpreting data;

(4) gather background information based on a survey of related literature from a variety of sources, including:

- (i) identifying key issues; and
- (ii) identifying relevant historical and contextual information;

(5) collect, interpret, and evaluate primary data, including:

- (i) quantitative and qualitative observations;
- (ii) structured and unstructured interviews;
- (iii) surveys; and
- (iv) questionnaires; and

(6) communicate research findings through appropriate formats (for example, abstract writing, poster display, or informational video), including:

- (i) stating the research question;
- (ii) sharing findings from the survey of literature;
- (iii) presenting primary data;
- (iv) interpreting and analyzing information;
- (v) identifying limitations of the investigation, bias, and context of data and findings; and
- (vi) describing possibilities for further research.

Sec. 6. [ACCESSING INFORMATION - MIDDLE LEVEL.]

Subdivision 1. [PURPOSE.] Access information to answer a question or support a position.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) methods of recording and organizing information; and
- (2) synthesizing information from primary and secondary sources.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) generate a question to be investigated or a position to be supported;
- (2) access and use a variety of sources, including electronic media, to answer a question or support a position;

- (3) determine how to record and organize information;
- (4) evaluate the relevance of information found in sources; and
- (5) synthesize information to answer a question or support a position.

Sec. 7. [MATHEMATICS RESEARCH - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Gather and analyze information on mathematics topic.

Subd. 2. [PART A.] A student shall demonstrate an understanding of the basic process of making generalizations.

Subd. 3. [PART B.] A student shall demonstrate the ability to design and conduct an investigation of a mathematics topic, including:

- (1) selecting and refining a topic through research;
- (2) making generalizations about the topic;
- (3) documenting insights gained during the investigation;
- (4) connecting new concepts to familiar mathematical ideas;
- (5) using mathematical properties to support a conclusion; and
- (6) communicating findings for an audience outside of mathematics.

Sec. 8. [ISSUE ANALYSIS - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Analyze multiple perspectives on an issue and synthesize the findings.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) multiple perspectives of an issue; and
- (2) possible bias in information gathering.

Subd. 3. [PART B.] A student shall demonstrate the ability to research an issue and evaluate the positions and possible solutions to the issue, including:

- (1) gathering information on an issue;
- (2) examining information and the process used in collecting information for bias;
- (3) identifying points of view, areas of conflict, and points of possible compromise or agreement among groups on the issue;
- (4) evaluating the positions held, the proposed solutions, and project consequences;
- (5) identifying motives of groups; and
- (6) determining feasibility of resolution.

Sec. 9. [RECORDERS OF HISTORY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Understand that history is written from the perspective of the historian.

Subd. 2. [PART A.] The student shall demonstrate an understanding of:

- (1) perspective and bias as they relate to recording historical events; and
- (2) how historical accounts may differ based on the availability and use of sources, societal influences on the writer, and the purpose of the account.

Subd. 3. [PART B.] The student shall demonstrate the ability to:

- (1) analyze two accounts of the same historical event written in different times and explain differences in terms of:
 - (i) availability and use of sources; and
 - (ii) societal influences on the writer and the purpose of the account; and
- (2) determine the validity of the primary sources used in the writing of an event in history, including factors that influence the recorder of the event.

Sec. 10. [CASE STUDY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Use observation and theory to study natural systems, human interaction, learning, or development.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) theories of human behavior, learning, or development;
- (2) methods and techniques of primary research, including interviews, observations, surveys, and questionnaires; and
- (3) legal and ethical issues related to research, including copyright laws, access to property, and the use of human or other subjects.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) refine a topic into a clear statement of a research problem with subproblems;
- (2) create a plan for collecting data, including:
 - (i) evaluating feasibility; and
 - (ii) establishing a process for conducting observations and recording descriptions;
- (3) gather and analyze data; and
- (4) communicate findings, including:
 - (i) describing key scenes, people, dialogue, or places from observations;
 - (ii) comparing finding to theories of human interaction, learning, or development; and
 - (iii) identifying implications for further study.

Sec. 11. [RESEARCH AND CREATE A BUSINESS PLAN - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] A student shall develop and implement a plan to start a business or organization.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the scientific, economic, marketing, and sales principles relevant to the type of business chosen;
- (2) the function of a business or organization functions within the larger economic system; and
- (3) the potential impact of a business or organization on people and communities.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) gather and record information, including:
 - (i) researching and tracking markets;
 - (ii) using appropriate technology, including, but not limited to, computers, and telecommunications satellite technology; and
 - (iii) recording the data;
- (2) develop a business plan, including:
 - (i) conducting a feasibility study;
 - (ii) producing a cost/benefit assessment, including human resources; and

- (iii) identifying alternative solutions to problems; and
- (3) implement an actual or simulated business plan, including:
 - (i) communicating information regarding decisions;
 - (ii) applying human relations skills;
 - (iii) applying relevant/useful mechanical and technical skills;
 - (iv) using marketing and sales techniques;
 - (v) integrating economic, marketing, sales, and technical aspects with sound environmental practices; and
 - (vi) analyzing the effectiveness of the plan.

Sec. 12. [HISTORY THROUGH ARTS AND CULTURE - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Apply an inquiry process to an art form, theme, or idea to understand historical framework and cultural context.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) the influence of cultural contexts within an art form, theme, or idea; and
- (2) the concept of historical periods, including, but not limited to, major events, conflicts, and leaders.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) gather information to analyze the development of a selected art form, idea, or theme;
- (2) select, describe, and interpret works of art that represent historical periods and development of the art form, theme, or idea; and
- (3) analyze and interpret the development in the selected art form, theme, or idea in terms of cultural contexts for each historical period, including, but not limited to, architecture, technology, dominant philosophies, daily life, and social customs.

Sec. 13. [PRODUCT DEVELOPMENT - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Research, develop, and/or test a product.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) purpose and methods of market research;
- (2) characteristics of specific materials and technologies;
- (3) impact of the use of specific materials and technologies; and
- (4) materials processing and/or design techniques.

Subd. 3. [PART B.] A student shall demonstrate the ability to create or test a product, including:

- (1) determining the need and the market using at least two of the following methods: direct mail survey, telemarketing survey, personal interview, discussion group, panels, sampling, observations, or market analysis;
- (2) correlating, tabulating, and reporting findings of the research;
- (3) designing a new or improved product, which meets the need;

- (4) analyzing the viability of product price, place, and promotion based on research findings;
- (5) creating the new or improved product;
- (6) testing and evaluating the product; and
- (7) assessing the impact of production, use, and eventual disposal of the product on the environment, society, and health, as applicable.

Sec. 14. [FIELD STUDY - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Conduct a field study to answer a research question.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) tools and methods used in a field study;
- (2) impacts of technologies on traditional field studies; and
- (3) impacts of uncontrolled variables on systems.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

- (1) independently formulate a question and design a study;
- (2) collect, analyze, and present quantitative and qualitative data using appropriate technology (for example, video, still cameras, tape recorders, tree borers, trip lines, or global positioning systems);
- (3) conduct research with key experts or sample documents;
- (4) take random and/or nonrandom samples under field conditions;
- (5) assess response effects;
- (6) measure and account for respondent inaccuracy in behavior reports;
- (7) assess validity and reliability of methods and evaluate credibility of sources;
- (8) look for pattern and meaning in data;
- (9) analyze field notes; and
- (10) communicate research findings.

ARTICLE 12

WORLD LANGUAGES

Section 1. [WORLD LANGUAGES - PRIMARY.]

Subdivision 1. [PURPOSE.] Gain exposure to a language other than English.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

- (1) basic features of the language, including vocabulary, syntax, and grammar necessary for communicating about very familiar topics;
- (2) some age-appropriate cultural practices and products (for example, gestures, songs, and games); and
- (3) basic similarities between some written and spoken or signed words of the target language and English.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) participate in brief written and oral exchanges or signed conversations with guidance on familiar topics;

(2) comprehend basic written and spoken words and phrases or signed words, classifiers, and phrases that are supported by context clues and repetition; and

(3) present basic written and oral or signed personal information using very common words and memorized phrases.

Sec. 2. [TECHNICAL LANGUAGE - PRIMARY.]

Subdivision 1. [PART A.] A student shall demonstrate an understanding of:

(1) the concept that letters, characters, icons, signs, and symbols represent ideas, quantities, elements, and actions; and

(2) the purpose of the message (for example, to perform a computer action, to produce a product, or to describe a person's health).

Subd. 2. [PART B.] A student shall demonstrate the ability to read and explain basic symbolic and technical representations.

Sec. 3. [WORLD LANGUAGES - INTERMEDIATE.]

Subdivision 1. [PURPOSE.] Explore and begin to communicate in a language other than English.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) basic features of the language, including vocabulary, syntax, and grammar necessary for communicating about familiar and personal topics;

(2) some common, age-appropriate cultural practices, traditions, and expressive products (for example, greetings, songs, stories, and games); and

(3) some similarities and differences between the target language and English (for example, commonly occurring cognates and borrowed words, pronunciation, intonation, sentence structure, and alphabet/characters/signs).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) participate in written and oral exchanges or signed conversations on familiar and personal topics;

(2) comprehend basic written and spoken or signed language about familiar topics and in familiar contexts;

(3) present basic written and oral or signed information about familiar topics using memorized and familiar words and simple phrases and sentences; and

(4) use culturally appropriate practices (for example, greetings and gestures) in a limited number of familiar situations.

Sec. 4. [TECHNICAL LANGUAGE - INTERMEDIATE.]

Subdivision 1. [PART A.] A student shall demonstrate an understanding of:

(1) common letters, characters, icons, signs, and symbols that represent ideas, quantities, elements, and actions; and

(2) the audience and purpose of the message.

Subd. 2. [PART B.] A student shall demonstrate the ability to read and apply symbolic and

technical representations, with guidance, to perform an action or create a basic product (for example, a group Web page, a plan for constructing a box, a carton, or a toy).

Sec. 5. [WORLD LANGUAGES - MIDDLE.]

Subdivision 1. [PURPOSE.] Communicate in a language other than English on familiar topics in cultural contexts, as appropriate.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) features of the language, including vocabulary, syntax, and grammar necessary for communicating about a variety of common topics;

(2) a range of common cultural practices and products (for example, food, clothing, dwellings, music, and artifacts); and

(3) similarities and differences between the target language and English, including idioms, sentence structure, cognates, and false cognates.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) initiate and respond to written and oral exchanges or signed conversations to express needs, limited options, and experiences using learned material about familiar topics;

(2) comprehend written and spoken or signed language relating to daily living and common events in formal and informal situations;

(3) create and deliver written and spoken or signed presentations about familiar topics using simple phrases and expressions; and

(4) communicate in familiar situations using appropriate cultural practices (for example, formal and informal register, personal space, and manners).

Sec. 6. [TECHNICAL LANGUAGE - MIDDLE.]

Subdivision 1. [PART A.] A student shall demonstrate an understanding of:

(1) the basic features and symbols of a technical language; and

(2) the audience, purpose, medium, and nature of the message.

Subd. 2. [PART B.] A student shall demonstrate the ability to:

(1) read and explain symbolic and technical representations; and

(2) create a plan or product using the technical language (for example, a piece of furniture, the floor plan of the student's residence) or html programming for a Web page.

Sec. 7. [NATURE OF LANGUAGE AND CULTURE - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Communicate in a language other than English on a variety of topics and understand how language and culture are interconnected.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) features of the target language, including vocabulary, syntax, and grammar necessary for communicating about a variety of topics;

(2) culture:

(i) common patterns of behavior and practices of typical peers and others in the target culture; and

(ii) products and perspectives of the target culture (for example, people of importance, print and nonprint cultural artifacts, and commonly held attitudes and ideas;

(3) similarities and differences in the ways languages are written and spoken or signed (for example, writing mechanics, sentence structure, intonation, and word stress); and

(4) how language and cultural practices, products, and perspectives are interrelated.

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) initiate and respond to written and oral exchanges or signed conversations that reflect structural patterns of the language in familiar and practiced situations;

(2) comprehend written and spoken or signed language about a variety of familiar topics that reflect cultural practices, products, and perspectives;

(3) create and deliver written and spoken or signed presentations about a variety of familiar topics using a range of simple phrases and expressions; and

(4) communicate in a variety of familiar situations using appropriate cultural practices (for example, formal and informal register, personal space, and manners).

Sec. 8. [COMMUNICATING IN A LANGUAGE OTHER THAN ENGLISH - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Comprehend and communicate in a language other than English on a broad range of topics.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) features of the language, including vocabulary, syntax, and sociolinguistic, lexical, and grammatical systems necessary for communicating about a wide range of personal and general topics;

(2) similarities and differences in cultural products, practices, and perspectives between the target culture and the student's own; and

(3) similarities and differences between the sound or signed and written systems of the target language and English, including regional and national spoken or signed patterns and familiar genres of written texts (for example, poems, letters, newspapers, and magazine articles).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) initiate, sustain, and close written and oral exchanges or signed conversations in a variety of familiar and new situations;

(2) comprehend the main idea and supporting details of written and spoken or signed language from a variety of authentic sources that are produced for various audiences and purposes;

(3) present or perform both student-created and culturally authentic texts (for example, essays, poetry, plays, stories, songs, and letters); and

(4) communicate in formal and informal situations using a wide range of appropriate cultural practices and expressions.

Sec. 9. [COMMUNICATING IN A TECHNICAL LANGUAGE - HIGH SCHOOL.]

Subdivision 1. [PURPOSE.] Comprehend and communicate using a universal technical language.

Subd. 2. [PART A.] A student shall demonstrate an understanding of:

(1) the features, symbols, and appropriate applications of a symbolic and technical language;

(2) relevant technical vocabulary; and

(3) design considerations pertinent to the products or services to be delivered (for example, building codes or Web browser limitations).

Subd. 3. [PART B.] A student shall demonstrate the ability to:

(1) read, comprehend, and analyze complex symbolic and technical representations (for example, documents, plans, or drawings); and

(2) apply a symbolic and technical language to communicate how to perform a complex action or produce a complex product (for example, a complete set of plans for a single-family residence) or html programming of a complete Web site."

Delete the title and insert:

"A bill for an act relating to education; repealing the profile of learning; setting state standards for educational excellence; providing educational accountability; requiring legislative approval; amending Minnesota Statutes 2002, sections 120B.02; 120B.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 120B; repealing Minnesota Statutes 2002, section 120B.031; Minnesota Rules, parts 3501.0300; 3501.0310; 3501.0320; 3501.0330; 3501.0340; 3501.0350; 3501.0370; 3501.0380; 3501.0390; 3501.0400; 3501.0410; 3501.0420; 3501.0440; 3501.0441; 3501.0442; 3501.0443; 3501.0444; 3501.0445; 3501.0446; 3501.0447; 3501.0448; 3501.0449; 3501.0450; 3501.0460; 3501.0461; 3501.0462; 3501.0463; 3501.0464; 3501.0465; 3501.0466; 3501.0467; 3501.0468; 3501.0469."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Betzold from the Committee on Judiciary, to which was re-referred

S.F. No. 838: A bill for an act relating to the environment; prohibiting the placement in mixed municipal solid waste of electronic products with cathode ray tubes; establishing a process for a list of electronic products complying with certain standards for recovery and recycling; providing immunity for certain anticompetitive conduct for manufacturers that participate in collection and management programs for waste electronic products; 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 3, delete lines 4 to 12

Page 3, line 13, delete "9" and insert "8"

Page 3, line 15, delete "10" and insert "9"

Page 3, line 16, delete "9" and insert "8"

Amend the title as follows:

Page 1, line 6, delete "providing"

Page 1, delete lines 7 to 9

And when so amended the bill do pass.

Senator Kleis, for Senator Neuville, questioned the reference thereon and, under Rule 21, the bill was referred to the Committee on Rules and Administration.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 276: A bill for an act relating to criminal justice; providing that the bureau of criminal

apprehension and local law enforcement agencies collect crime data utilizing the uniform offense codes; amending Minnesota Statutes 2002, sections 299C.05; 299C.06.

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

Page 1, line 26, after "standard" insert "approved by the Federal Bureau of Investigation"

Page 2, line 28, after "standard" insert "approved by the Federal Bureau of Investigation"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 1158: A bill for an act relating to public safety; modifying provisions relating to DWI breath-testing instruments; amending Minnesota Statutes 2002, sections 169A.03, subdivision 11; 169A.45, subdivision 4; 169A.51, subdivision 5; 169A.75; 360.0753, subdivision 4; 634.16.

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

Page 3, line 15, before the period, insert "(expedited process)"

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations. Amendments adopted. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 942: A bill for an act relating to evidence; authorizing admission in evidence of chain of custody documentation; amending Minnesota Statutes 2002, section 634.15, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 597: A bill for an act relating to crimes; making it a crime of child endangerment to manufacture controlled substances in the presence of a child; amending Minnesota Statutes 2002, section 609.378, subdivision 1, by adding subdivisions.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Foley from the Committee on Crime Prevention and Public Safety, to which was referred

S.F. No. 906: A bill for an act relating to corrections; authorizing collection of treatment co-pays from offenders I; amending Minnesota Statutes 2002, section 241.272, by adding a subdivision.

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

Page 1, line 11, delete "I"

Amend the title as follows:

Page 1, line 3, delete "I"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 259: A bill for an act relating to intergovernmental contracts; permitting Beltrami county to contract with the state department of corrections for the cost of secretarial support for juvenile probation and parole services of the county.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Vickerman from the Committee on State and Local Government Operations, to which was referred

S.F. No. 497: A bill for an act relating to elections; providing an exemption for noncommercial signs from ordinances that limit the number of noncommercial signs; amending Minnesota Statutes 2002, section 211B.045.

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

Page 1, delete lines 10 to 15 and insert:

"In any municipality ~~with, whether or not the municipality has an ordinance that regulates the size or number of noncommercial signs, notwithstanding the provisions of that ordinance,~~ all noncommercial signs of any size may be posted in any number from August 1 in a state general election year until ten days following the state general election."

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Commerce and Utilities, to which was referred

S.F. No. 665: A bill for an act relating to commerce; prohibiting certain marketing practices related to credit cards marketed to certain students; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Page 1, delete lines 14 to 16 and insert "student contact or other personal information without the student's affirmative consent, except information designated as public data on individuals by section 13.32, subdivision 5; or"

Page 1, after line 21, insert:

"The University of Minnesota is a public postsecondary educational institution for purposes of this section."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Commerce and Utilities, to which was re-referred

S.F. No. 766: A bill for an act relating to education; creating an education telecommunications fund; providing support for kindergarten through grade 12 schools and public library telecommunications networks; providing for an access fee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 125B.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Senator Anderson from the Committee on Commerce and Utilities, to which was referred

S.F. No. 653: A bill for an act relating to public safety; modifying emergency 911 telephone system provisions to require multiline telephone systems to provide caller location; providing for special levies for county and city governments and school districts to fund this requirement; amending Minnesota Statutes 2002, sections 126C.44; 275.70, subdivision 5; 403.01, subdivision 6; 403.02, by adding subdivisions; 403.07, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 403.

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

Page 7, line 36, delete "2005" and insert "2007"

Page 8, lines 10 and 16, delete "2005" and insert "2007"

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

Senator Scheid from the Committee on Jobs, Housing and Community Development, to which was referred

S.F. No. 1098: A bill for an act relating to occupational safety and health; eliminating certain responsibilities of the commissioner of health; increasing penalty limits for certain violations; amending Minnesota Statutes 2002, sections 182.65, subdivision 2; 182.656, subdivision 1; 182.66, subdivision 2; 182.666, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Scheid from the Committee on Jobs, Housing and Community Development, to which was referred

S.F. No. 921: A bill for an act relating to jobs; providing for grants to qualified job training programs; appropriating money.

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

Page 1, line 20, delete "organization" and insert "program"

Page 2, line 8, after "the" insert "program's"

Page 2, line 12, delete "had"

Page 2, line 13, delete "last" and after "years" insert "immediately before entering the program"

Page 2, line 21, delete "QUALIFIED GRADUATE" and insert "GRADUATION AND RETENTION GRANT REQUIREMENTS"

Page 3, line 4, delete "2005," and insert "2005."

Page 3, line 5, delete everything before "The"

Page 3, delete lines 21 to 35 and insert:

"Sec. 2. [APPROPRIATION.]

\$500,000 in fiscal year 2004 and \$500,000 in fiscal year 2005 are appropriated from the general fund to the commissioner of trade and economic development for the purpose of making grants under section 1."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was re-referred

S.F. No. 712: A bill for an act relating to the metropolitan mosquito control district; including the rest of Carver county in the district; restoring the property tax levy base to 1995 levels; adding a second member for Carver county; providing for pesticide application for mosquito control; clarifying the exception to prohibiting entry upon private property if objected to; making the district subject to the Minnesota Uniform Municipal Contracting Law; eliminating per diems for commissioners; making expense payments permissive rather than mandatory; making conforming changes; amending Minnesota Statutes 2002, sections 18B.07, subdivision 2; 473.253, subdivision 1; 473.702; 473.703, subdivision 1; 473.704, subdivision 17; 473.705; 473.711, subdivision 2a; 473.714, subdivision 1; repealing Minnesota Statutes 2002, sections 473.711, subdivision 2b; 473.714, subdivision 2.

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

Pages 2 to 4, delete sections 2 and 3 and insert:

"Sec. 2. Minnesota Statutes 2002, section 473.702, is amended to read:

473.702 [ESTABLISHMENT OF DISTRICT; PURPOSE; AREA; GOVERNING BODY.]

A metropolitan mosquito control district is created to control mosquitoes, disease vectoring ticks, and black gnats (Simuliidae) in the metropolitan area. ~~The area of the district is the metropolitan area defined in section 473.121. The area of the district is the metropolitan area excluding the part of Carver county west of the west line of township 116N, range 24W, township 115N, range 24W, and township 114N, range 24W.~~ The metropolitan mosquito control commission is created as the governing body of the district, composed and exercising the powers as prescribed in sections 473.701 to 473.716."

Pages 6 to 8, delete section 7

Page 9, line 2, delete everything after the first comma

Page 9, line 3, delete "and" and insert "section" and delete "are" and insert "is"

Page 9, line 5, delete "10" and insert "8"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "levels;"

Page 1, line 14, delete "473.253, subdivision 1;"

Page 1, line 16, delete "473.711, subdivision 2a;"

Page 1, lines 17 and 18, delete "sections 473.711, subdivision 2b;" and insert "section"

And when so amended the bill do pass and be re-referred to the Committee on Taxes.

Senator Marty questioned the reference thereon and, under Rule 21, the bill was referred to the Committee on Rules and Administration.

Senator Anderson from the Committee on Commerce and Utilities, to which was referred

S.F. No. 343: A bill for an act relating to insurance; requiring certain insurers to provide information on certain costs; proposing coding for new law in Minnesota Statutes, chapter 62D.

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 2002, section 62Q.64, is amended to read:

62Q.64 [DISCLOSURE OF EXECUTIVE COMPENSATION.]

(a) Each health plan company doing business in this state shall annually file with the ~~consumer advisory board created in section 62J.75~~ commissioner of commerce or the commissioner of health:

(1) a copy of the health plan company's form 990 filed with the federal Internal Revenue Service; or

(2) if the health plan company did not file a form 990 with the federal Internal Revenue Service, a list of the amount and recipients of the health plan company's five highest salaries, including all types of compensation, in excess of \$50,000.

(b) Each health plan company doing business in this state shall file with the commissioner of commerce or the commissioner of health, and the attorney general, no later than April 1 of each year, a report that complies with this paragraph, covering the immediately preceding calendar year. The report required by this paragraph must include, for each of the 20 current or former employees or directors who received the most total compensation from the health plan company, the following information:

(1) the person's name and job title;

(2) the person's total compensation received from the health plan company, regardless of whether the person is currently entitled to such compensation, including all forms of salary, fringe benefits, payments in the form of deferred or other future compensation, bonuses, severance payments, and full amounts paid for vehicles or vehicle allowances, and any life insurance premium payments; and

(3) a list of the person's travel paid for or reimbursed by the health plan company, including for each trip the date or dates, destination, and total amount paid for or reimbursed by the health plan company. The list of travel may exclude travel to or within Minnesota, Wisconsin, Iowa, North Dakota, or South Dakota.

This paragraph does not require disclosure of information with respect to any person whose total compensation from the health plan company was less than \$50,000 for the calendar year being reported. The attorney general has, for purposes of enforcing this paragraph, the enforcement powers otherwise available to the attorney general. The commissioner of commerce has, for purposes of enforcing this paragraph, the enforcement powers otherwise available to that commissioner. The commissioner of health has, for purposes of enforcing this paragraph, the enforcement powers otherwise available to that commissioner.

~~(b) A filing~~ (c) All filings under this section is are public data under section 13.03.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to insurance; requiring health plan companies to file reports with respect to certain costs; amending Minnesota Statutes 2002, section 62Q.64."

And when so amended the bill do pass and be re-referred to the Committee on Health and Family Security. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Commerce and Utilities, to which was re-referred

S.F. No. 1128: A bill for an act relating to public safety; increasing the 911 emergency telephone service fee to cover the cost of the third phase of the public safety radio communication system; transferring responsibility for the 911 emergency telephone system and public safety radio system to the commissioner of public safety; authorizing the sale of revenue bonds by the metropolitan council; appropriating money; amending Minnesota Statutes 2002, sections 403.02, subdivision 10; 403.06; 403.07, subdivisions 1, 2, 3; 403.09, subdivision 1; 403.11; 403.113; 473.891, subdivision 10, by adding a subdivision; 473.898, subdivisions 1, 3; 473.901; 473.902, by adding a subdivision; 473.907, subdivision 1.

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

Page 1, after line 16, insert:

"Section 1. Minnesota Statutes 2002, section 237.49, is amended to read:

237.49 [COMBINED LOCAL ACCESS SURCHARGE.]

Each local telephone company shall collect from each subscriber an amount per telephone access line representing the total of the surcharges required under sections 237.52, 237.70, and 403.11. Amounts collected must be remitted to the department of administration in the manner prescribed in section 403.11. The department of administration shall divide the amounts received proportional to the individual surcharges and deposit them in the appropriate accounts. The commissioner of administration is authorized to recover from the agencies receiving the surcharges, the personnel and administrative cost to collect and distribute the surcharge. A company or the billing agent for a company shall list the surcharges as one amount on a billing statement sent to a subscriber."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after "sections" insert "237.49;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1041: A bill for an act relating to human services; changing continuing care provisions; amending Minnesota Statutes 2002, sections 252.32, subdivisions 1, 1a, 3, 3c; 256B.0621, subdivision 4; 256B.0625, subdivision 19c; 256B.0627, subdivisions 1, 4, 9; 256B.0911, subdivision 4d; 256B.0915, by adding a subdivision; 256B.47, subdivision 2; repealing Minnesota Statutes 2002, section 252.32, 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

CONTINUING CARE PROVISIONS

Section 1. Minnesota Statutes 2002, section 252.32, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM ESTABLISHED.] In accordance with state policy established in section 256F.01 that all children are entitled to live in families that offer safe, nurturing, permanent relationships, and that public services be directed toward preventing the unnecessary separation of children from their families, and because many families who have children with

~~mental retardation or related conditions~~ disabilities have special needs and expenses that other families do not have, the commissioner of human services shall establish a program to assist families who have ~~dependents~~ dependent children with mental retardation or related conditions disabilities living in their home. The program shall make support grants available to the families.

Sec. 2. Minnesota Statutes 2002, section 252.32, subdivision 1a, is amended to read:

Subd. 1a. [SUPPORT GRANTS.] (a) Provision of support grants must be limited to families who require support and whose dependents are under the age of ~~22~~ and ~~who have mental retardation or who have a related condition~~ 21 and who have been determined by a screening team established certified disabled under section ~~256B.092~~ to be at risk of institutionalization 256B.055, subdivision 12, paragraphs (a), (b), (c), (d), and (e). Families who are receiving home and community-based ~~waivered services~~ for persons with mental retardation or related conditions are not eligible for support grants.

~~Families receiving grants who will be receiving home and community-based waiver services for persons with mental retardation or a related condition for their family member within the grant year, and who have ongoing payments for environmental or vehicle modifications which have been approved by the county as a grant expense and would have qualified for payment under this waiver may receive a onetime grant payment from the commissioner to reduce or eliminate the principal of the remaining debt for the modifications, not to exceed the maximum amount allowable for the remaining years of eligibility for a family support grant. The commissioner is authorized to use up to \$20,000 annually from the grant appropriation for this purpose. Any amount unexpended at the end of the grant year shall be allocated by the commissioner in accordance with subdivision 3a, paragraph (b), clause (2). Families whose annual adjusted gross income is \$60,000 or more are not eligible for support grants except in cases where extreme hardship is demonstrated. Beginning in state fiscal year 1994, the commissioner shall adjust the income ceiling annually to reflect the projected change in the average value in the United States Department of Labor Bureau of Labor Statistics consumer price index (all urban) for that year.~~

(b) Support grants may be made available as monthly subsidy grants and lump sum grants.

(c) Support grants may be issued in the form of cash, voucher, and direct county payment to a vendor.

(d) Applications for the support grant shall be made by the legal guardian to the county social service agency. The application shall specify the needs of the families, the form of the grant requested by the families, and that the families ~~have agreed to use the support grant for items and services within the designated reimbursable expense categories and recommendations of the county to be reimbursed.~~

(e) ~~Families who were receiving subsidies on the date of implementation of the \$60,000 income limit in paragraph (a) continue to be eligible for a family support grant until December 31, 1991, if all other eligibility criteria are met. After December 31, 1991, these families are eligible for a grant in the amount of one-half the grant they would otherwise receive, for as long as they remain eligible under other eligibility criteria.~~

Sec. 3. Minnesota Statutes 2002, section 252.32, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF SUPPORT GRANT; USE.] Support grant amounts shall be determined by the county social service agency. ~~Each service~~ Services and ~~item~~ items purchased with a support grant must:

(1) be over and above the normal costs of caring for the dependent if the dependent did not have a disability;

(2) be directly attributable to the dependent's disabling condition; and

(3) enable the family to delay or prevent the out-of-home placement of the dependent.

The design and delivery of services and items purchased under this section must suit the

dependent's chronological age and be provided in the least restrictive environment possible, consistent with the needs identified in the individual service plan.

Items and services purchased with support grants must be those for which there are no other public or private funds available to the family. Fees assessed to parents for health or human services that are funded by federal, state, or county dollars are not reimbursable through this program.

In approving or denying applications, the county shall consider the following factors:

- (1) the extent and areas of the functional limitations of the disabled child;
- (2) the degree of need in the home environment for additional support; and
- (3) the potential effectiveness of the grant to maintain and support the person in the family environment.

The maximum monthly grant amount shall be \$250 per eligible dependent, or \$3,000 per eligible dependent per state fiscal year, within the limits of available funds. The county social service agency may consider the dependent's supplemental security income in determining the amount of the support grant. ~~The county social service agency may exceed \$3,000 per state fiscal year per eligible dependent for emergency circumstances in cases where exceptional resources of the family are required to meet the health, welfare safety needs of the child.~~

~~County social service agencies shall continue to provide funds to families receiving state grants on June 30, 1997, if eligibility criteria continue to be met. Any adjustments to their monthly grant amount must be based on the needs of the family and funding availability.~~

Sec. 4. Minnesota Statutes 2002, section 252.32, subdivision 3c, is amended to read:

Subd. 3c. [COUNTY BOARD RESPONSIBILITIES.] County boards receiving funds under this section shall:

~~(1) determine the needs of families for services in accordance with section 256B.092 or 256E.08 and any rules adopted under those sections submit a plan to the department for the management of the family support grant program. The plan must include the projected number of families the county will serve and policies and procedures for:~~

- (i) identifying potential families for the program;
- (ii) grant distribution;
- (iii) waiting list procedures; and
- (iv) prioritization of families to receive grants;
- (2) determine the eligibility of all persons proposed for program participation;
- (3) approve a plan for items and services to be reimbursed and inform families of the county's approval decision;
- (4) issue support grants directly to, or on behalf of, eligible families;
- (5) inform recipients of their right to appeal under subdivision 3e;
- (6) submit quarterly financial reports under subdivision 3b and indicate ~~on the screening documents~~ the annual grant level for each family, the families denied grants, and the families eligible but waiting for funding; and
- (7) coordinate services with other programs offered by the county.

Sec. 5. Minnesota Statutes 2002, section 256B.0621, subdivision 4, is amended to read:

Subd. 4. [RELOCATION TARGETED CASE MANAGEMENT PROVIDER QUALIFICATIONS.] ~~The following qualifications and certification standards must be met by providers of relocation targeted case management:~~

~~(a) The commissioner must certify each provider of relocation targeted case management before enrollment. The certification process shall examine the provider's ability to meet the requirements in this subdivision and other federal and state requirements of this service. A certified relocation targeted case management provider may subcontract with another provider to deliver relocation targeted case management services. Subcontracted providers must demonstrate the ability to provide the services outlined in subdivision 6.~~

~~(b) (a) A relocation targeted case management provider is an enrolled medical assistance provider who is determined by the commissioner to have all of the following characteristics:~~

~~(1) the legal authority to provide public welfare under sections 393.01, subdivision 7; and 393.07; or a federally recognized Indian tribe;~~

~~(2) the demonstrated capacity and experience to provide the components of case management to coordinate and link community resources needed by the eligible population;~~

~~(3) the administrative capacity and experience to serve the target population for whom it will provide services and ensure quality of services under state and federal requirements;~~

~~(4) the legal authority to provide complete investigative and protective services under section 626.556, subdivision 10; and child welfare and foster care services under section 393.07, subdivisions 1 and 2; or a federally recognized Indian tribe;~~

~~(5) a financial management system that provides accurate documentation of services and costs under state and federal requirements; and~~

~~(6) the capacity to document and maintain individual case records under state and federal requirements.~~

~~(b) A provider of targeted case management under section 256B.0625, subdivision 20, may be deemed a certified provider of relocation targeted case management.~~

~~(c) A relocation targeted case management provider may subcontract with another provider to deliver relocation targeted case management services. Subcontracted providers must demonstrate the ability to provide the services outlined in subdivision 6, and have a procedure in place that notifies the recipient and the recipient's legal representative of any conflict of interest if the contracted targeted case management provider also provides, or will provide, the recipient's services and supports. Contracted providers must provide information on all conflicts of interest and obtain the recipient's informed consent or provide the recipient with alternatives.~~

Sec. 6. Minnesota Statutes 2002, section 256B.0623, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them.

(a) "Adult rehabilitative mental health services" means mental health services which are rehabilitative and enable the recipient to develop and enhance psychiatric stability, social competencies, personal and emotional adjustment, and independent living and community skills, when these abilities are impaired by the symptoms of mental illness. Adult rehabilitative mental health services are also appropriate when provided to enable a recipient to retain stability and functioning, if the recipient would be at risk of significant functional decompensation or more restrictive service settings without these services.

(1) Adult rehabilitative mental health services instruct, assist, and support the recipient in areas such as: interpersonal communication skills, community resource utilization and integration skills, crisis assistance, relapse prevention skills, health care directives, budgeting and shopping skills, healthy lifestyle skills and practices, cooking and nutrition skills, transportation skills, medication

education and monitoring, mental illness symptom management skills, household management skills, employment-related skills, and transition to community living services.

(2) These services shall be provided to the recipient on a one-to-one basis in the recipient's home or another community setting or in groups.

(b) "Medication education services" means services provided individually or in groups which focus on educating the recipient about mental illness and symptoms; the role and effects of medications in treating symptoms of mental illness; and the side effects of medications. Medication education is coordinated with medication management services and does not duplicate it. Medication education services are provided by physicians, pharmacists, physician's assistants, or registered nurses.

(c) "Transition to community living services" means services which maintain continuity of contact between the rehabilitation services provider and the recipient and which facilitate discharge from a hospital, residential treatment program under Minnesota Rules, chapter 9505, board and lodging facility, or nursing home. Transition to community living services are not intended to provide other areas of adult rehabilitative mental health services.

Sec. 7. Minnesota Statutes 2002, section 256B.0623, subdivision 4, is amended to read:

Subd. 4. [PROVIDER ENTITY STANDARDS.] (a) The provider entity must be:

~~(1) a county operated entity certified by the state; or~~

~~(2) a noncounty entity certified by the entity's host county~~ certified by the state following the certification process and procedures developed by the commissioner.

(b) The certification process is a determination as to whether the entity meets the standards in this subdivision. The certification must specify which adult rehabilitative mental health services the entity is qualified to provide.

~~(c) If an entity seeks to provide services outside its host county, it~~ A noncounty provider entity must obtain additional certification from each county in which it will provide services. The additional certification must be based on the adequacy of the entity's knowledge of that county's local health and human service system, and the ability of the entity to coordinate its services with the other services available in that county. A county-operated entity must obtain this additional certification from any other county in which it will provide services.

~~(d) Recertification must occur at least every two~~ three years.

(e) The commissioner may intervene at any time and decertify providers with cause. The decertification is subject to appeal to the state. A county board may recommend that the state decertify a provider for cause.

(f) The adult rehabilitative mental health services provider entity must meet the following standards:

(1) have capacity to recruit, hire, manage, and train mental health professionals, mental health practitioners, and mental health rehabilitation workers;

(2) have adequate administrative ability to ensure availability of services;

(3) ensure adequate preservice and inservice and ongoing training for staff;

(4) ensure that mental health professionals, mental health practitioners, and mental health rehabilitation workers are skilled in the delivery of the specific adult rehabilitative mental health services provided to the individual eligible recipient;

(5) ensure that staff is capable of implementing culturally specific services that are culturally competent and appropriate as determined by the recipient's culture, beliefs, values, and language as identified in the individual treatment plan;

(6) ensure enough flexibility in service delivery to respond to the changing and intermittent care needs of a recipient as identified by the recipient and the individual treatment plan;

(7) ensure that the mental health professional or mental health practitioner, who is under the clinical supervision of a mental health professional, involved in a recipient's services participates in the development of the individual treatment plan;

(8) assist the recipient in arranging needed crisis assessment, intervention, and stabilization services;

(9) ensure that services are coordinated with other recipient mental health services providers and the county mental health authority and the federally recognized American Indian authority and necessary others after obtaining the consent of the recipient. Services must also be coordinated with the recipient's case manager or care coordinator if the recipient is receiving case management or care coordination services;

(10) develop and maintain recipient files, individual treatment plans, and contact charting;

(11) develop and maintain staff training and personnel files;

(12) submit information as required by the state;

(13) establish and maintain a quality assurance plan to evaluate the outcome of services provided;

(14) keep all necessary records required by law;

(15) deliver services as required by section 245.461;

(16) comply with all applicable laws;

(17) be an enrolled Medicaid provider;

(18) maintain a quality assurance plan to determine specific service outcomes and the recipient's satisfaction with services; and

(19) develop and maintain written policies and procedures regarding service provision and administration of the provider entity.

~~(g) The commissioner shall develop statewide procedures for provider certification, including timelines for counties to certify qualified providers.~~

Sec. 8. Minnesota Statutes 2002, section 256B.0623, subdivision 5, is amended to read:

Subd. 5. [QUALIFICATIONS OF PROVIDER STAFF.] Adult rehabilitative mental health services must be provided by qualified individual provider staff of a certified provider entity. Individual provider staff must be qualified under one of the following criteria:

(1) a mental health professional as defined in section 245.462, subdivision 18, clauses (1) to (5);

(2) a mental health practitioner as defined in section 245.462, subdivision 17. The mental health practitioner must work under the clinical supervision of a mental health professional; or

(3) a mental health rehabilitation worker. A mental health rehabilitation worker means a staff person working under the direction of a mental health practitioner or mental health professional and under the clinical supervision of a mental health professional in the implementation of rehabilitative mental health services as identified in the recipient's individual treatment plan who:

(i) is at least 21 years of age;

(ii) has a high school diploma or equivalent;

(iii) has successfully completed 30 hours of training during the past two years in all of the following areas: recipient rights, recipient-centered individual treatment planning, behavioral terminology, mental illness, co-occurring mental illness and substance abuse, psychotropic medications and side effects, functional assessment, local community resources, adult vulnerability, recipient confidentiality; and

(iv) meets the qualifications in subitem (A) or (B):

(A) has an associate of arts degree in one of the behavioral sciences or human services, or is a registered nurse without a bachelor's degree, or who within the previous ten years has:

(1) three years of personal life experience with serious and persistent mental illness;

(2) three years of life experience as a primary caregiver to an adult with a serious mental illness or traumatic brain injury; or

(3) 4,000 hours of supervised paid work experience in the delivery of mental health services to adults with a serious mental illness or traumatic brain injury; or

(B)(1) is fluent in the non-English language or competent in the culture of the ethnic group to which at least 50 20 percent of the mental health rehabilitation worker's clients belong;

(2) receives during the first 2,000 hours of work, monthly documented individual clinical supervision by a mental health professional;

(3) has 18 hours of documented field supervision by a mental health professional or practitioner during the first 160 hours of contact work with recipients, and at least six hours of field supervision quarterly during the following year;

(4) has review and cosignature of charting of recipient contacts during field supervision by a mental health professional or practitioner; and

(5) has 40 hours of additional continuing education on mental health topics during the first year of employment.

Sec. 9. Minnesota Statutes 2002, section 256B.0623, subdivision 6, is amended to read:

Subd. 6. [REQUIRED TRAINING AND SUPERVISION.] (a) Mental health rehabilitation workers must receive ongoing continuing education training of at least 30 hours every two years in areas of mental illness and mental health services and other areas specific to the population being served. Mental health rehabilitation workers must also be subject to the ongoing direction and clinical supervision standards in paragraphs (c) and (d).

(b) Mental health practitioners must receive ongoing continuing education training as required by their professional license; or if the practitioner is not licensed, the practitioner must receive ongoing continuing education training of at least 30 hours every two years in areas of mental illness and mental health services. Mental health practitioners must meet the ongoing clinical supervision standards in paragraph (c).

(c) Clinical supervision may be provided by a full- or part-time qualified professional employed by or under contract with the provider entity. Clinical supervision may be provided by interactive videoconferencing according to procedures developed by the commissioner. A mental health professional providing clinical supervision of staff delivering adult rehabilitative mental health services must provide the following guidance:

(1) review the information in the recipient's file;

(2) review and approve initial and updates of individual treatment plans;

(3) meet with mental health rehabilitation workers and practitioners, individually or in small groups, at least monthly to discuss treatment topics of interest to the workers and practitioners;

(4) meet with mental health rehabilitation workers and practitioners, individually or in small groups, at least monthly to discuss treatment plans of recipients, and approve by signature and document in the recipient's file any resulting plan updates;

(5) meet at least ~~twice a month~~ monthly with the directing mental health practitioner, if there is one, to review needs of the adult rehabilitative mental health services program, review staff on-site observations and evaluate mental health rehabilitation workers, plan staff training, review program evaluation and development, and consult with the directing practitioner; and

(6) be available for urgent consultation as the individual recipient needs or the situation necessitates; ~~and~~

~~(7) provide clinical supervision by full- or part-time mental health professionals employed by or under contract with the provider entity.~~

(d) An adult rehabilitative mental health services provider entity must have a treatment director who is a mental health practitioner or mental health professional. The treatment director must ensure the following:

(1) while delivering direct services to recipients, a newly hired mental health rehabilitation worker must be directly observed delivering services to recipients by ~~the~~ a mental health practitioner or mental health professional for at least six hours per 40 hours worked during the first 160 hours that the mental health rehabilitation worker works;

(2) the mental health rehabilitation worker must receive ongoing on-site direct service observation by a mental health professional or mental health practitioner for at least six hours for every six months of employment;

(3) progress notes are reviewed from on-site service observation prepared by the mental health rehabilitation worker and mental health practitioner for accuracy and consistency with actual recipient contact and the individual treatment plan and goals;

(4) immediate availability by phone or in person for consultation by a mental health professional or a mental health practitioner to the mental health rehabilitation services worker during service provision;

(5) oversee the identification of changes in individual recipient treatment strategies, revise the plan, and communicate treatment instructions and methodologies as appropriate to ensure that treatment is implemented correctly;

(6) model service practices which: respect the recipient, include the recipient in planning and implementation of the individual treatment plan, recognize the recipient's strengths, collaborate and coordinate with other involved parties and providers;

(7) ensure that mental health practitioners and mental health rehabilitation workers are able to effectively communicate with the recipients, significant others, and providers; and

(8) oversee the record of the results of on-site observation and charting evaluation and corrective actions taken to modify the work of the mental health practitioners and mental health rehabilitation workers.

(e) A mental health practitioner who is providing treatment direction for a provider entity must receive supervision at least monthly from a mental health professional to:

(1) identify and plan for general needs of the recipient population served;

(2) identify and plan to address provider entity program needs and effectiveness;

(3) identify and plan provider entity staff training and personnel needs and issues; and

(4) plan, implement, and evaluate provider entity quality improvement programs.

Sec. 10. Minnesota Statutes 2002, section 256B.0623, subdivision 8, is amended to read:

Subd. 8. [DIAGNOSTIC ASSESSMENT.] Providers of adult rehabilitative mental health services must complete a diagnostic assessment as defined in section 245.462, subdivision 9, within five days after the recipient's second visit or within 30 days after intake, whichever occurs first. In cases where a diagnostic assessment is available that reflects the recipient's current status, and has been completed within 180 days preceding admission, an update must be completed. An update shall include a written summary by a mental health professional of the recipient's current mental health status and service needs. If the recipient's mental health status has changed significantly since the adult's most recent diagnostic assessment, a new diagnostic assessment is required. For initial implementation of adult rehabilitative mental health services, until June 30, 2005, a diagnostic assessment that reflects the recipient's current status and has been completed within the past three years preceding admission is acceptable.

Sec. 11. Minnesota Statutes 2002, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13c. [PHARMACEUTICAL CARE DEMONSTRATION PROJECT.] (a) The commissioner of human services shall seek federal approval to implement a medical assistance demonstration project to provide culturally specific pharmaceutical care to American Indian recipients who are age 55 and older. In developing the demonstration project, the commissioner shall consult with organizations and health care providers experienced in developing and implementing culturally competent intervention strategies to manage the use of prescription drugs, over-the-counter drugs, other drug products, and native therapies by American Indian elders.

(b) For purposes of this subdivision, "pharmaceutical care" means the responsible provision of drug therapy and native therapy for the purpose of improving a patient's quality of life by: (1) curing a disease; (2) eliminating or reducing a patient's symptoms; (3) arresting or slowing a disease process; or (4) preventing a disease or a symptom. Pharmaceutical care involves the documented process through which a pharmacist cooperates with a patient and other professionals in designing, implementing, and monitoring a therapeutic plan that is expected to produce specific therapeutic outcomes, through the identification, resolution, and prevention of drug-related problems.

[EFFECTIVE DATE.] This section is effective July 1, 2003, or upon federal approval, whichever is later.

Sec. 12. Minnesota Statutes 2002, section 256B.0625, subdivision 19c, is amended to read:

Subd. 19c. [PERSONAL CARE.] Medical assistance covers personal care assistant services provided by an individual who is qualified to provide the services according to subdivision 19a and section 256B.0627, where the services are prescribed by a physician in accordance with a plan of treatment and are supervised by the recipient or a qualified professional. "Qualified professional" means a mental health professional as defined in section 245.462, subdivision 18, or 245.4871, subdivision 27; or a registered nurse as defined in sections 148.171 to 148.285, or a licensed social worker as defined in section 148B.21. As part of the assessment, the county public health nurse will assist the recipient or responsible party to identify the most appropriate person to provide supervision of the personal care assistant. The qualified professional shall perform the duties described in Minnesota Rules, part 9505.0335, subpart 4.

Sec. 13. Minnesota Statutes 2002, section 256B.0627, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] (a) "Activities of daily living" includes eating, toileting, grooming, dressing, bathing, transferring, mobility, and positioning.

(b) "Assessment" means a review and evaluation of a recipient's need for home care services conducted in person. Assessments for private duty nursing shall be conducted by a registered private duty nurse. Assessments for home health agency services shall be conducted by a home health agency nurse. Assessments for personal care assistant services shall be conducted by the county public health nurse or a certified public health nurse under contract with the county. A

face-to-face assessment must include: documentation of health status, determination of need, evaluation of service effectiveness, identification of appropriate services, service plan development or modification, coordination of services, referrals and follow-up to appropriate payers and community resources, completion of required reports, recommendation of service authorization, and consumer education. Once the need for personal care assistant services is determined under this section, the county public health nurse or certified public health nurse under contract with the county is responsible for communicating this recommendation to the commissioner and the recipient. A face-to-face assessment for personal care assistant services is conducted on those recipients who have never had a county public health nurse assessment. A face-to-face assessment must occur at least annually or when there is a significant change in the recipient's condition or when there is a change in the need for personal care assistant services. A service update may substitute for the annual face-to-face assessment when there is not a significant change in recipient condition or a change in the need for personal care assistant service. A service update or review for temporary increase includes a review of initial baseline data, evaluation of service effectiveness, redetermination of service need, modification of service plan and appropriate referrals, update of initial forms, obtaining service authorization, and on going consumer education. Assessments for medical assistance home care services for mental retardation or related conditions and alternative care services for developmentally disabled home and community-based waived recipients may be conducted by the county public health nurse to ensure coordination and avoid duplication. Assessments must be completed on forms provided by the commissioner within 30 days of a request for home care services by a recipient or responsible party.

(c) "Care plan" means a written description of personal care assistant services developed by the qualified professional or the recipient's physician with the recipient or responsible party to be used by the personal care assistant with a copy provided to the recipient or responsible party.

(d) "Complex and regular private duty nursing care" means:

(1) complex care is private duty nursing provided to recipients who are ventilator dependent or for whom a physician has certified that were it not for private duty nursing the recipient would meet the criteria for inpatient hospital intensive care unit (ICU) level of care; and

(2) regular care is private duty nursing provided to all other recipients.

(e) "Health-related functions" means functions that can be delegated or assigned by a licensed health care professional under state law to be performed by a personal care attendant.

(f) "Home care services" means a health service, determined by the commissioner as medically necessary, that is ordered by a physician and documented in a service plan that is reviewed by the physician at least once every 60 days for the provision of home health services, or private duty nursing, or at least once every 365 days for personal care. Home care services are provided to the recipient at the recipient's residence that is a place other than a hospital or long-term care facility or as specified in section 256B.0625.

(g) "Instrumental activities of daily living" includes meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communication by telephone and other media, and getting around and participating in the community.

(h) "Medically necessary" has the meaning given in Minnesota Rules, parts 9505.0170 to 9505.0475.

(i) "Personal care assistant" means a person who:

(1) is at least 18 years old, except for persons 16 to 18 years of age who participated in a related school-based job training program or have completed a certified home health aide competency evaluation;

(2) is able to effectively communicate with the recipient and personal care provider organization;

(3) effective July 1, 1996, has completed one of the training requirements as specified in Minnesota Rules, part 9505.0335, subpart 3, items A to D;

(4) has the ability to, and provides covered personal care assistant services according to the recipient's care plan, responds appropriately to recipient needs, and reports changes in the recipient's condition to the supervising qualified professional or physician;

(5) is not a consumer of personal care assistant services; and

(6) is subject to criminal background checks and procedures specified in section 245A.04.

(j) "Personal care provider organization" means an organization enrolled to provide personal care assistant services under the medical assistance program that complies with the following: (1) owners who have a five percent interest or more, and managerial officials are subject to a background study as provided in section 245A.04. This applies to currently enrolled personal care provider organizations and those agencies seeking enrollment as a personal care provider organization. An organization will be barred from enrollment if an owner or managerial official of the organization has been convicted of a crime specified in section 245A.04, or a comparable crime in another jurisdiction, unless the owner or managerial official meets the reconsideration criteria specified in section 245A.04; (2) the organization must maintain a surety bond and liability insurance throughout the duration of enrollment and provides proof thereof. The insurer must notify the department of human services of the cancellation or lapse of policy; and (3) the organization must maintain documentation of services as specified in Minnesota Rules, part 9505.2175, subpart 7, as well as evidence of compliance with personal care assistant training requirements.

(k) "~~Responsible party~~" means an individual ~~residing with a recipient of personal care assistant services who is capable of providing the supportive care support necessary to assist the recipient to live in the community, is at least 18 years old, actively participates in planning and directing of personal care assistant services, and is not a the personal care assistant. The responsible party must be accessible to the recipient and the personal care assistant when personal care services are being provided and monitor the services at least weekly according to the plan of care. The responsible party must be identified at the time of assessment and listed on the recipient's service agreement and care plan. Responsible parties who are parents of minors or guardians of minors or incapacitated persons may delegate the responsibility to another adult during a temporary absence of at least 24 hours but not more than six months. The person delegated as a responsible party must be able to meet the definition of responsible party, except that the delegated responsible party is required to reside with the recipient only while serving as the responsible party who is not the personal care assistant. The responsible party must assure that the delegate performs the functions of the responsible party, is identified at the time of the assessment, and is listed on the service agreement and the care plan. Foster care license holders may be designated the responsible party for residents of the foster care home if case management is provided as required in section 256B.0625, subdivision 19a. For persons who, as of April 1, 1992, are sharing personal care assistant services in order to obtain the availability of 24-hour coverage, an employee of the personal care provider organization may be designated as the responsible party if case management is provided as required in section 256B.0625, subdivision 19a.~~

(l) "Service plan" means a written description of the services needed based on the assessment developed by the nurse who conducts the assessment together with the recipient or responsible party. The service plan shall include a description of the covered home care services, frequency and duration of services, and expected outcomes and goals. The recipient and the provider chosen by the recipient or responsible party must be given a copy of the completed service plan within 30 calendar days of the request for home care services by the recipient or responsible party.

(m) "Skilled nurse visits" are provided in a recipient's residence under a plan of care or service plan that specifies a level of care which the nurse is qualified to provide. These services are:

(1) nursing services according to the written plan of care or service plan and accepted standards of medical and nursing practice in accordance with chapter 148;

(2) services which due to the recipient's medical condition may only be safely and effectively provided by a registered nurse or a licensed practical nurse;

(3) assessments performed only by a registered nurse; and

(4) teaching and training the recipient, the recipient's family, or other caregivers requiring the skills of a registered nurse or licensed practical nurse.

(n) "Telehomecare" means the use of telecommunications technology by a home health care professional to deliver home health care services, within the professional's scope of practice, to a patient located at a site other than the site where the practitioner is located.

Sec. 14. Minnesota Statutes 2002, section 256B.0627, subdivision 4, is amended to read:

Subd. 4. [PERSONAL CARE ASSISTANT SERVICES.] (a) The personal care assistant services that are eligible for payment are services and supports furnished to an individual, as needed, to assist in accomplishing activities of daily living; instrumental activities of daily living; health-related functions through hands-on assistance, supervision, and cuing; and redirection and intervention for behavior including observation and monitoring.

(b) Payment for services will be made within the limits approved using the prior authorized process established in subdivision 5.

(c) The amount and type of services authorized shall be based on an assessment of the recipient's needs in these areas:

(1) bowel and bladder care;

(2) skin care to maintain the health of the skin;

(3) repetitive maintenance range of motion, muscle strengthening exercises, and other tasks specific to maintaining a recipient's optimal level of function;

(4) respiratory assistance;

(5) transfers and ambulation;

(6) bathing, grooming, and hairwashing necessary for personal hygiene;

(7) turning and positioning;

(8) assistance with furnishing medication that is self-administered;

(9) application and maintenance of prosthetics and orthotics;

(10) cleaning medical equipment;

(11) dressing or undressing;

(12) assistance with eating and meal preparation and necessary grocery shopping;

(13) accompanying a recipient to obtain medical diagnosis or treatment;

(14) assisting, monitoring, or prompting the recipient to complete the services in clauses (1) to (13);

(15) redirection, monitoring, and observation that are medically necessary and an integral part of completing the personal care assistant services described in clauses (1) to (14);

(16) redirection and intervention for behavior, including observation and monitoring;

(17) interventions for seizure disorders, including monitoring and observation if the recipient has had a seizure that requires intervention within the past three months;

(18) tracheostomy suctioning using a clean procedure if the procedure is properly delegated by a registered nurse. Before this procedure can be delegated to a personal care assistant, a registered nurse must determine that the tracheostomy suctioning can be accomplished utilizing a clean rather than a sterile procedure and must ensure that the personal care assistant has been taught the proper procedure; and

(19) incidental household services that are an integral part of a personal care service described in clauses (1) to (18).

For purposes of this subdivision, monitoring and observation means watching for outward visible signs that are likely to occur and for which there is a covered personal care service or an appropriate personal care intervention. For purposes of this subdivision, a clean procedure refers to a procedure that reduces the numbers of microorganisms or prevents or reduces the transmission of microorganisms from one person or place to another. A clean procedure may be used beginning 14 days after insertion.

(d) The personal care assistant services that are not eligible for payment are the following:

(1) services not ordered by the physician;

(2) assessments by personal care assistant provider organizations or by independently enrolled registered nurses;

(3) services that are not in the service plan;

(4) services provided by the recipient's spouse, legal guardian for an adult or child recipient, or parent of a recipient under age 18;

(5) services provided by a foster care provider of a recipient who cannot direct the recipient's own care, unless monitored by a county or state case manager under section 256B.0625, subdivision 19a;

(6) services provided by the residential or program license holder in a residence for more than four persons;

(7) services that are the responsibility of a residential or program license holder under the terms of a service agreement and administrative rules;

(8) sterile procedures;

(9) injections of fluids into veins, muscles, or skin;

(10) ~~services provided by parents of adult recipients, adult children, or siblings of the recipient, unless these relatives meet one of the following hardship criteria and the commissioner waives this requirement:~~

~~(i) the relative resigns from a part-time or full-time job to provide personal care for the recipient;~~

~~(ii) the relative goes from a full-time to a part-time job with less compensation to provide personal care for the recipient;~~

~~(iii) the relative takes a leave of absence without pay to provide personal care for the recipient;~~

~~(iv) the relative incurs substantial expenses by providing personal care for the recipient; or~~

~~(v) because of labor conditions, special language needs, or intermittent hours of care needed, the relative is needed in order to provide an adequate number of qualified personal care assistants to meet the medical needs of the recipient;~~

(11) homemaker services that are not an integral part of a personal care assistant services;

- (12) (11) home maintenance, or chore services;
- (13) (12) services not specified under paragraph (a); and
- (14) (13) services not authorized by the commissioner or the commissioner's designee.

(e) The recipient or responsible party may choose to supervise the personal care assistant or to have a qualified professional, as defined in section 256B.0625, subdivision 19c, provide the supervision. As required under section 256B.0625, subdivision 19c, the county public health nurse, as a part of the assessment, will assist the recipient or responsible party to identify the most appropriate person to provide supervision of the personal care assistant. Health-related delegated tasks performed by the personal care assistant will be under the supervision of a qualified professional or the direction of the recipient's physician. If the recipient has a qualified professional, Minnesota Rules, part 9505.0335, subpart 4, applies.

Sec. 15. Minnesota Statutes 2002, section 256B.0627, subdivision 9, is amended to read:

Subd. 9. [FLEXIBLE USE OF PERSONAL CARE ASSISTANT HOURS.] (a) ~~The commissioner may allow for the flexible use of personal care assistant hours. "Flexible use" means the scheduled use of authorized hours of personal care assistant services, which vary within the length of the service authorization in order to more effectively meet the needs and schedule of the recipient. Recipients may use their approved hours flexibly within the service authorization period for medically necessary covered services specified in the assessment required in subdivision 1. The flexible use of authorized hours does not increase the total amount of authorized hours available to a recipient as determined under subdivision 5. The commissioner shall not authorize additional personal care assistant services to supplement a service authorization that is exhausted before the end date under a flexible service use plan, unless the county public health nurse determines a change in condition and a need for increased services is established.~~

~~(b) The recipient or responsible party, together with the county public health nurse, shall determine whether flexible use is an appropriate option based on the needs and preferences of the recipient or responsible party, and, if appropriate, must ensure that the allocation of hours covers the ongoing needs of the recipient over the entire service authorization period. As part of the assessment and service planning process, the recipient or responsible party must work with the county public health nurse to develop a written month-to-month plan of the projected use of personal care assistant services that is part of the service plan and ensures that the:~~

- ~~(1) health and safety needs of the recipient will be met;~~
- ~~(2) total annual authorization will not exceed before the end date; and~~
- ~~(3) how actual use of hours will be monitored.~~

~~(c) If the actual use of personal care assistant service varies significantly from the use projected in the plan, the written plan must be promptly updated by the recipient or responsible party and the county public health nurse.~~

~~(d) The recipient or responsible party, together with the provider, must work to monitor and document the use of authorized hours and ensure that a recipient is able to manage services effectively throughout the authorized period. The provider must ensure that the month-to-month plan is incorporated into the care plan. Upon request of the recipient or responsible party, the provider must furnish regular updates to the recipient or responsible party on the amount of personal care assistant services used.~~

~~(e) The recipient or responsible party may revoke the authorization for flexible use of hours by notifying the provider and county public health nurse in writing.~~

~~(f) If the requirements in paragraphs (a) to (e) have not substantially been met, the commissioner shall deny, revoke, or suspend the authorization to use authorized hours flexibly. The recipient or responsible party may appeal the commissioner's action according to section 256.045. The denial, revocation, or suspension to use the flexible hours option shall not affect the recipient's authorized level of personal care assistant services as determined under subdivision 5.~~

Sec. 16. Minnesota Statutes 2002, section 256B.0911, subdivision 4d, is amended to read:

Subd. 4d. [PREADMISSION SCREENING OF INDIVIDUALS UNDER 65 YEARS OF AGE.] (a) It is the policy of the state of Minnesota to ensure that individuals with disabilities or chronic illness are served in the most integrated setting appropriate to their needs and have the necessary information to make informed choices about home and community-based service options.

(b) Individuals under 65 years of age who are admitted to a nursing facility from a hospital must be screened prior to admission as outlined in subdivisions 4a through 4c.

(c) Individuals under 65 years of age who are admitted to nursing facilities with only a telephone screening must receive a face-to-face assessment from the long-term care consultation team member of the county in which the facility is located or from the recipient's county case manager within ~~20 working~~ 40 calendar days of admission.

(d) Individuals under 65 years of age who are admitted to a nursing facility without preadmission screening according to the exemption described in subdivision 4b, paragraph (a), clause (3), and who remain in the facility longer than 30 days must receive a face-to-face assessment within 40 days of admission.

(e) At the face-to-face assessment, the long-term care consultation team member or county case manager must perform the activities required under subdivision 3b.

(f) For individuals under 21 years of age, a screening interview which recommends nursing facility admission must be face-to-face and approved by the commissioner before the individual is admitted to the nursing facility.

(g) In the event that an individual under 65 years of age is admitted to a nursing facility on an emergency basis, the county must be notified of the admission on the next working day, and a face-to-face assessment as described in paragraph (c) must be conducted within ~~20 working days~~ 40 calendar days of admission.

(h) At the face-to-face assessment, the long-term care consultation team member or the case manager must present information about home and community-based options so the individual can make informed choices. If the individual chooses home and community-based services, the long-term care consultation team member or case manager must complete a written relocation plan within 20 working days of the visit. The plan shall describe the services needed to move out of the facility and a time line for the move which is designed to ensure a smooth transition to the individual's home and community.

(i) An individual under 65 years of age residing in a nursing facility shall receive a face-to-face assessment at least every 12 months to review the person's service choices and available alternatives unless the individual indicates, in writing, that annual visits are not desired. In this case, the individual must receive a face-to-face assessment at least once every 36 months for the same purposes.

(j) Notwithstanding the provisions of subdivision 6, the commissioner may pay county agencies directly for face-to-face assessments for individuals under 65 years of age who are being considered for placement or residing in a nursing facility.

Sec. 17. Minnesota Statutes 2002, section 256B.0915, is amended by adding a subdivision to read:

Subd. 9. [TRIBAL MANAGEMENT OF ELDERLY WAIVER.] Notwithstanding contrary provisions of this section, or those in other state laws or rules, the commissioner and White Earth Reservation may develop a model for tribal management of the elderly waiver program and implement this model through a contract between the state and White Earth Reservation. The model shall include the provision of tribal waiver case management, assessment for personal care assistance, and administrative requirements otherwise carried out by counties but shall not include tribal financial eligibility determination for medical assistance.

Sec. 18. Minnesota Statutes 2002, section 256B.47, subdivision 2, is amended to read:

Subd. 2. [NOTICE TO RESIDENTS.] (a) No increase in nursing facility rates for private paying residents shall be effective unless the nursing facility notifies the resident or person responsible for payment of the increase in writing 30 days before the increase takes effect.

A nursing facility may adjust its rates without giving the notice required by this subdivision when the purpose of the rate adjustment is to reflect a necessary change in the level of care provided to a case-mix classification of the resident. If the state fails to set rates as required by section 256B.431, subdivision 1, the time required for giving notice is decreased by the number of days by which the state was late in setting the rates.

(b) If the state does not set rates by the date required in section 256B.431, subdivision 1, nursing facilities shall meet the requirement for advance notice by informing the resident or person responsible for payments, on or before the effective date of the increase, that a rate increase will be effective on that date. If the exact amount has not yet been determined, the nursing facility may raise the rates by the amount anticipated to be allowed. Any amounts collected from private pay residents in excess of the allowable rate must be repaid to private pay residents with interest at the rate used by the commissioner of revenue for the late payment of taxes and in effect on the date the rate increase is effective.

Sec. 19. Minnesota Statutes 2002, section 256B.69, subdivision 5a, is amended to read:

Subd. 5a. [MANAGED CARE CONTRACTS.] (a) Managed care contracts under this section and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year basis beginning January 1, 1996. Managed care contracts which were in effect on June 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995 through December 31, 1995 at the same terms that were in effect on June 30, 1995.

(b) A prepaid health plan providing covered health services for eligible persons pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms of its contract with the commissioner. Requirements applicable to managed care programs under chapters 256B, 256D, and 256L, established after the effective date of a contract with the commissioner take effect when the contract is next issued or renewed.

(c) Effective for services rendered on or after January 1, 2003, the commissioner shall withhold five percent of managed care plan payments under this section for the prepaid medical assistance and general assistance medical care programs pending completion of performance targets. The withheld funds must be returned no sooner than July of the following year if performance targets in the contract are achieved. The commissioner may exclude special demonstration projects under subdivision 23. A managed care plan may include as admitted assets under section 62D.044 any amount withheld under this paragraph that is reasonably expected to be returned.

(d) The commissioner shall exempt from paragraph (c) a managed care plan that has entered into a managed care contract with the commissioner in accordance with this section if the contract was the initial contract between the managed care plan and the commissioner, and it was entered into after January 1, 2000. This exemption shall apply for the first five years of operation of the managed care plan.

[EFFECTIVE DATE.] This section is effective for services rendered on or after July 1, 2003.

Sec. 20. Minnesota Statutes 2002, section 256L.12, subdivision 9, is amended to read:

Subd. 9. [RATE SETTING; PERFORMANCE WITHHOLDS.] (a) Rates will be prospective, per capita, where possible. The commissioner may allow health plans to arrange for inpatient hospital services on a risk or nonrisk basis. The commissioner shall consult with an independent actuary to determine appropriate rates.

(b) For services rendered on or after January 1, 2003, the commissioner shall withhold .5 percent of managed care plan payments under this section pending completion of performance targets. The withheld funds must be returned no sooner than July 1 and no later than July 31 of the

following year if performance targets in the contract are achieved. A managed care plan may include as admitted assets under section 62D.044 any amount withheld under this paragraph that is reasonably expected to be returned.

(c) The commissioner shall exempt from paragraph (b) a managed care plan that has entered into a managed care contract with the commissioner in accordance with this section if the contract was the initial contract between the managed care plan and the commissioner, and it was entered into after January 1, 2000. This exemption shall apply for five years after the initial contract was entered into by the managed care plan.

[EFFECTIVE DATE.] This section is effective for services rendered on or after July 1, 2003.

Sec. 21. [REPEALER.]

Minnesota Statutes 2002, section 252.32, subdivision 2, is repealed.

ARTICLE 2

DEPARTMENT OF HUMAN SERVICES MISCELLANEOUS

Section 1. [245.945] [REIMBURSEMENT TO OMBUDSMAN FOR MENTAL HEALTH AND MENTAL RETARDATION.]

The commissioner shall obtain federal financial participation for eligible activity by the ombudsman for mental health and mental retardation. The ombudsman shall maintain and transmit to the department of human services documentation that is necessary in order to obtain federal funds.

Sec. 2. Minnesota Statutes 2002, section 253B.05, is amended by adding a subdivision to read:

Subd. 5. [DETOXIFICATION.] If a person is intoxicated in public and held under this section for detoxification, a treatment facility may release the person without providing notice under subdivision 3, paragraph (c), as soon as the treatment facility determines the person is no longer intoxicated. Notice must be provided to the peace officer or health officer who transported the person, or the appropriate law enforcement agency, if the officer or agency requests notification.

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

Sec. 3. Minnesota Statutes 2002, section 256B.092, subdivision 5, is amended to read:

Subd. 5. [FEDERAL WAIVERS.] (a) The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation under United States Code, title 42, sections 1396 et seq., as amended, for the provision of services to persons who, in the absence of the services, would need the level of care provided in a regional treatment center or a community intermediate care facility for persons with mental retardation or related conditions. The commissioner may seek amendments to the waivers or apply for additional waivers under United States Code, title 42, sections 1396 et seq., as amended, to contain costs. The commissioner shall ensure that payment for the cost of providing home and community-based alternative services under the federal waiver plan shall not exceed the cost of intermediate care services including day training and habilitation services that would have been provided without the waived services.

The commissioner shall apply for a federal waiver to allow properly licensed adult foster care homes to provide residential services to up to five individuals with mental retardation or related conditions. If the waiver is approved, adult foster care providers that can accommodate five individuals shall increase their capacity to five beds, provided the providers continue to meet all applicable licensing requirements.

(b) The commissioner, in administering home and community-based waivers for persons with mental retardation and related conditions, shall ensure that day services for eligible persons are not provided by the person's residential service provider, unless the person or the person's legal representative is offered a choice of providers and agrees in writing to provision of day services by

the residential service provider. The individual service plan for individuals who choose to have their residential service provider provide their day services must describe how health, safety, and protection needs will be met by frequent and regular contact with persons other than the residential service provider.

Sec. 4. Minnesota Statutes 2002, section 257.0769, is amended to read:

257.0769 [FUNDING FOR THE OMBUDSPERSON PROGRAM.]

Subdivision 1. [APPROPRIATIONS.] (a) Money is appropriated from the special fund authorized by section 256.01, subdivision 2, clause (15), to the Indian affairs council for the purposes of sections 257.0755 to 257.0768.

(b) Money is appropriated from the special fund authorized by section 256.01, subdivision 2, clause (15), to the council on affairs of Chicano/Latino people for the purposes of sections 257.0755 to 257.0768.

(c) Money is appropriated from the special fund authorized by section 256.01, subdivision 2, clause (15), to the Council of Black Minnesotans for the purposes of sections 257.0755 to 257.0768.

(d) Money is appropriated from the special fund authorized by section 256.01, subdivision 2, clause (15), to the Council on Asian-Pacific Minnesotans for the purposes of sections 257.0755 to 257.0768.

Subd. 2. [TITLE IV-E REIMBURSEMENT.] The commissioner shall obtain federal title IV-E financial participation for eligible activity by the ombudsperson for families under section 257.0755. The ombudsperson for families shall maintain and transmit to the department of human services documentation that is necessary in order to obtain federal funds.

Sec. 5. [256B.0622] [MENTAL HEALTH CASE MANAGEMENT.]

Counties shall contract with eligible providers willing to provide mental health case management services under section 256B.0625, subdivision 20. In order to be eligible, in addition to general provider requirements under this chapter, the provider must:

- (1) be willing to provide the mental health case management services; and
- (2) have a minimum of at least one contact with the client per week.

Sec. 6. Minnesota Statutes 2002, section 259.21, subdivision 6, is amended to read:

Subd. 6. [AGENCY.] "Agency" means an organization or department of government designated or authorized by law to place children for adoption or any person, group of persons, organization, association or society licensed or certified by the commissioner of human services to place children for adoption, including a Minnesota federally recognized tribe.

Sec. 7. Minnesota Statutes 2002, section 259.67, subdivision 7, is amended to read:

Subd. 7. [REIMBURSEMENT OF COSTS.] (a) Subject to rules of the commissioner, and the provisions of this subdivision a child-placing agency licensed in Minnesota or any other state, or local or tribal social services agency shall receive a reimbursement from the commissioner equal to 100 percent of the reasonable and appropriate cost of providing adoption services for a child certified as eligible for adoption assistance under subdivision 4. Such assistance may include adoptive family recruitment, counseling, and special training when needed. A child-placing agency licensed in Minnesota or any other state shall receive reimbursement for adoption services it purchases for or directly provides to an eligible child. A local or tribal social services agency shall receive such reimbursement only for adoption services it purchases for an eligible child.

(b) A child-placing agency licensed in Minnesota or any other state or local or tribal social services agency seeking reimbursement under this subdivision shall enter into a reimbursement agreement with the commissioner before providing adoption services for which reimbursement is

sought. No reimbursement under this subdivision shall be made to an agency for services provided prior to entering a reimbursement agreement. Separate reimbursement agreements shall be made for each child and separate records shall be kept on each child for whom a reimbursement agreement is made. Funds encumbered and obligated under such an agreement for the child remain available until the terms of the agreement are fulfilled or the agreement is terminated.

(c) When a local or tribal social services agency uses a purchase of service agreement to provide services reimbursable under a reimbursement agreement, the commissioner may make reimbursement payments directly to the agency providing the service if direct reimbursement is specified by the purchase of service agreement, and if the request for reimbursement is submitted by the local or tribal social services agency along with a verification that the service was provided.

Sec. 8. [DEMONSTRATION GRANT TO MAINTAIN INDEPENDENCE AND EMPLOYMENT.]

The commissioner of human services shall seek federal funding to participate in a demonstration grant authorized under section 204 of the Ticket to Work and Work Incentives Improvement Act of 1999, Public Law 106-170. The purpose of the demonstration is to assist workers with physical or mental impairments that would result in a disability to maintain independence and employment by offering health care coverage to them.

The commissioner is authorized to work with interested stakeholders to identify the population that will be served by the demonstration. The commissioner is also authorized to take necessary administrative actions to implement this demonstration within 180 days of receiving formal notice from the center for Medicare and Medicaid services that a grant has been awarded.

Sec. 9. [MEDICAL ASSISTANCE FOR MENTAL HEALTH SERVICES PROVIDED IN OUT-OF-HOME PLACEMENT SETTINGS.]

The commissioner of human services shall develop a plan in conjunction with the commissioner of corrections and representatives from counties, provider groups, and other stakeholders, to secure medical assistance funding for mental health-related services provided in out-of-home placement settings, including treatment foster care, group homes, and residential programs licensed under Minnesota Statutes, chapters 241 and 245A. The plan must include proposed legislation, fiscal implications, and other pertinent information.

Treatment foster care services must be provided by a child placing agency licensed under Minnesota Rules, parts 9543.0010 to 9543.0150 or 9545.0755 to 9545.0845.

The commissioner shall report to the legislature by January 15, 2004.

ARTICLE 3

CHILDREN'S MENTAL HEALTH

Section 1. Minnesota Statutes 2002, section 245.4874, is amended to read:

245.4874 [DUTIES OF COUNTY BOARD.]

The county board in each county shall use its share of mental health and Community Social Services Act funds allocated by the commissioner according to a biennial children's mental health component of the community social services plan required under section 245.4888, and approved by the commissioner. The county board must:

(1) develop a system of affordable and locally available children's mental health services according to sections 245.487 to 245.4888;

(2) establish a mechanism providing for interagency coordination as specified in section 245.4875, subdivision 6;

(3) develop a biennial children's mental health component of the community social services plan required under section 256E.09 which considers the assessment of unmet needs in the county

as reported by the local children's mental health advisory council under section 245.4875, subdivision 5, paragraph (b), clause (3). The county shall provide, upon request of the local children's mental health advisory council, readily available data to assist in the determination of unmet needs;

(4) assure that parents and providers in the county receive information about how to gain access to services provided according to sections 245.487 to 245.4888;

(5) coordinate the delivery of children's mental health services with services provided by social services, education, corrections, health, and vocational agencies to improve the availability of mental health services to children and the cost-effectiveness of their delivery;

(6) assure that mental health services delivered according to sections 245.487 to 245.4888 are delivered expeditiously and are appropriate to the child's diagnostic assessment and individual treatment plan;

(7) provide the community with information about predictors and symptoms of emotional disturbances and how to access children's mental health services according to sections 245.4877 and 245.4878;

(8) provide for case management services to each child with severe emotional disturbance according to sections 245.486; 245.4871, subdivisions 3 and 4; and 245.4881, subdivisions 1, 3, and 5;

(9) provide for screening of each child under section 245.4885 upon admission to a residential treatment facility, acute care hospital inpatient treatment, or informal admission to a regional treatment center;

(10) prudently administer grants and purchase-of-service contracts that the county board determines are necessary to fulfill its responsibilities under sections 245.487 to 245.4888;

(11) assure that mental health professionals, mental health practitioners, and case managers employed by or under contract to the county to provide mental health services are qualified under section 245.4871;

(12) assure that children's mental health services are coordinated with adult mental health services specified in sections 245.461 to 245.486 so that a continuum of mental health services is available to serve persons with mental illness, regardless of the person's age; and

(13) assure that culturally informed mental health consultants are used as necessary to assist the county board in assessing and providing appropriate treatment for children of cultural or racial minority heritage; and

(14) arrange for or provide a children's mental health screening to a child receiving child protective services or a child in out-of-home placement, a child for whom parental rights have been terminated, a child alleged or found to be delinquent, and a child found to have committed a juvenile petty offense for the third or subsequent time, unless a screening has been performed within the previous 180 days, or the child is currently under the care of a mental health professional. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer or local social services agency staff person who is trained in the use of the screening instrument. If the screen indicates a need for assessment, the child's family, or if the family lacks mental health insurance, the local social services agency, in consultation with the child's family, shall have conducted a diagnostic assessment, including a functional assessment, as defined in section 245.4871.

Sec. 2. Minnesota Statutes 2002, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. [INVESTIGATION.] Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its

findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall have a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall have a children's mental health screening conducted when a child is alleged to be delinquent or is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 3. Minnesota Statutes 2002, section 260B.176, subdivision 2, is amended to read:

Subd. 2. [REASONS FOR DETENTION.] (a) If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention.

(b) No child may be detained in a juvenile secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays, and holidays, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless a petition has been filed and the judge or referee determines pursuant to section 260B.178 that the child shall remain in detention.

(c) No child may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, after being taken into custody for a delinquent act as defined in section 260B.007, subdivision 6, unless:

(1) a petition has been filed under section 260B.141; and

(2) a judge or referee has determined under section 260B.178 that the child shall remain in detention.

After August 1, 1991, no child described in this paragraph may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, or longer than six hours in an adult jail or municipal lockup in a standard metropolitan statistical area, unless the requirements of this paragraph have been met and, in addition, a motion to refer the child for adult prosecution has been made under section 260B.125. Notwithstanding this paragraph, continued detention of a child in an adult detention facility outside of a standard metropolitan statistical area county is permissible if:

(i) the facility in which the child is detained is located where conditions of distance to be traveled or other ground transportation do not allow for court appearances within 24 hours. A delay not to exceed 48 hours may be made under this clause; or

(ii) the facility is located where conditions of safety exist. Time for an appearance may be delayed until 24 hours after the time that conditions allow for reasonably safe travel. "Conditions of safety" include adverse life-threatening weather conditions that do not allow for reasonably safe travel.

The continued detention of a child under clause (i) or (ii) must be reported to the commissioner of corrections.

(d) If a child described in paragraph (c) is to be detained in a jail beyond 24 hours, excluding Saturdays, Sundays, and holidays, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of the detention and the reasons therefor. The commissioner shall thereupon assist the court in the relocation of the child in an appropriate juvenile secure detention facility or approved jail within the county or elsewhere in the state, or in determining suitable alternatives. The commissioner shall direct that a child detained in a jail be detained after eight days from and including the date of the original detention order in an approved juvenile secure detention facility with the approval of the administrative authority of the facility. If the court refers the matter to the prosecuting authority pursuant to section 260B.125, notice to the commissioner shall not be required.

(e) When a child is detained for an alleged delinquent act in a state licensed juvenile facility or program, or when a child is detained in an adult jail or municipal lockup as provided in paragraph (c), the supervisor of the facility shall, if the child's parent or legal guardian consents, have a children's mental health screening conducted with a screening instrument approved by the commissioner of human services, unless a screening has been performed within the previous 180 days or the child is currently under the care of a mental health professional. The screening shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. The screening shall be conducted after the initial detention hearing has been held and the court has ordered the child continued in detention. The results of the screening may only be presented to the court at the dispositional phase of the court proceedings on the matter unless the parent or legal guardian consents to presentation at a different time. If the screening indicates a need for assessment, the local social services agency or probation officer, with the approval of the child's parent or legal guardian, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

Sec. 4. Minnesota Statutes 2002, section 260B.178, subdivision 1, is amended to read:

Subdivision 1. [HEARING AND RELEASE REQUIREMENTS.] (a) The court shall hold a detention hearing:

(1) within 36 hours of the time the child was taken into custody, excluding Saturdays, Sundays, and holidays, if the child is being held at a juvenile secure detention facility or shelter care facility; or

(2) within 24 hours of the time the child was taken into custody, excluding Saturdays, Sundays, and holidays, if the child is being held at an adult jail or municipal lockup.

(b) Unless there is reason to believe that the child would endanger self or others, not return for a court hearing, run away from the child's parent, guardian, or custodian or otherwise not remain in the care or control of the person to whose lawful custody the child is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of a parent, guardian, custodian, or other suitable person, subject to reasonable conditions of release including, but not limited to, a requirement that the child undergo a chemical use assessment as provided in section 260B.157, subdivision 1, and a children's mental health screening as provided in section 260B.176, subdivision 2, paragraph (e). In determining whether the child's health or welfare would be immediately endangered, the court shall consider whether the child would reside with a perpetrator of domestic child abuse.

Sec. 5. Minnesota Statutes 2002, section 260B.193, subdivision 2, is amended to read:

Subd. 2. [CONSIDERATION OF REPORTS.] Before making a disposition in a case, or appointing a guardian for a child, the court may consider any report or recommendation made by the local social services agency, probation officer, licensed child-placing agency, foster parent, guardian ad litem, tribal representative, or other authorized advocate for the child or child's family, a school district concerning the effect on student transportation of placing a child in a school district in which the child is not a resident, or any other information deemed material by the court. In addition, the court may consider the results of the children's mental health screening provided in section 260B.157, subdivision 1.

Sec. 6. Minnesota Statutes 2002, section 260B.235, subdivision 6, is amended to read:

Subd. 6. [ALTERNATIVE DISPOSITION.] In addition to dispositional alternatives authorized by subdivision 3 4, in the case of a third or subsequent finding by the court pursuant to an admission in court or after trial that a child has committed a juvenile alcohol or controlled substance offense, the juvenile court shall order a chemical dependency evaluation of the child and if warranted by the evaluation, the court may order participation by the child in an inpatient or outpatient chemical dependency treatment program, or any other treatment deemed appropriate by the court. In the case of a third or subsequent finding that a child has committed any juvenile petty offense, the court shall order a children's mental health screening be conducted as provided in section 260B.157, subdivision 1, and if indicated by the screening, to undergo a diagnostic assessment, including a functional assessment, as defined in section 245.4871.

Sec. 7. [EFFECTIVE DATE.]

This article is effective July 1, 2004.

ARTICLE 4

DEPARTMENT OF HUMAN SERVICES LICENSING

Section 1. Minnesota Statutes 2002, section 245A.09, subdivision 7, is amended to read:

Subd. 7. [REGULATORY METHODS.] (a) Where appropriate and feasible the commissioner shall identify and implement alternative methods of regulation and enforcement to the extent authorized in this subdivision. These methods shall include:

(1) expansion of the types and categories of licenses that may be granted;

(2) when the standards of another state or federal governmental agency or an independent accreditation body have been shown to ~~predict compliance with the rules require the same standards, methods, or alternative methods to achieve substantially the same intended outcomes as the licensing standards,~~ the commissioner shall consider compliance with the governmental or accreditation standards to be equivalent to partial compliance with the ~~rules~~ licensing standards; and

(3) use of an abbreviated inspection that employs key standards that have been shown to predict full compliance with the rules.

(b) If the commissioner accepts accreditation as documentation of compliance with a licensing standard under paragraph (a), the commissioner shall continue to investigate complaints related to noncompliance with all licensing standards. The commissioner may take a licensing action for noncompliance under this chapter and shall recognize all existing appeal rights regarding any licensing actions taken under this chapter.

(c) The commissioner shall work with the commissioners of health, public safety, administration, and children, families, and learning in consolidating duplicative licensing and certification rules and standards if the commissioner determines that consolidation is administratively feasible, would significantly reduce the cost of licensing, and would not reduce the protection given to persons receiving services in licensed programs. Where administratively feasible and appropriate, the commissioner shall work with the commissioners of health, public

safety, administration, and children, families, and learning in conducting joint agency inspections of programs.

~~(e)~~ (d) The commissioner shall work with the commissioners of health, public safety, administration, and children, families, and learning in establishing a single point of application for applicants who are required to obtain concurrent licensure from more than one of the commissioners listed in this clause.

~~(d)~~ (e) Unless otherwise specified in statute, the commissioner may ~~specify in rule periods of~~ licensure up to two years conduct routine inspections biennially.

Sec. 2. Minnesota Statutes 2002, section 245A.10, is amended to read:

245A.10 [FEES.]

The commissioner shall charge a fee for evaluation of applications and inspection of programs, other than family day care and foster care, which are licensed under this chapter. The commissioner may charge a fee for the licensing of school age child care programs, in an amount sufficient to cover the cost to the state agency of processing the license.

A county agency may charge a fee to an applicant or license holder in an amount not to exceed \$100 to cover the county agency's costs for evaluating applications and inspecting family child care and group family child care programs that are licensed under this chapter.

Sec. 3. Minnesota Statutes 2002, section 245A.11, is amended by adding a subdivision to read:

Subd. 7. [ADULT FOSTER CARE; VARIANCE FOR ALTERNATE OVERNIGHT SUPERVISION.] (a) The commissioner may grant a variance under section 245A.04, subdivision 9, to rule parts requiring a caregiver to be present in an adult foster care home during normal sleeping hours to allow for alternative methods of overnight supervision. The commissioner may grant the variance if the local county licensing agency recommends the variance and the county recommendation includes documentation verifying that:

(1) the county has approved the license holder's plan for alternative methods of providing overnight supervision and determined the plan protects the residents' health, safety, and rights;

(2) the license holder has obtained written and signed informed consent from each resident or each resident's legal representative documenting the resident's or legal representative's agreement with the alternative method of overnight supervision; and

(3) the alternative method of providing overnight supervision is specified for each resident in the resident's: (i) individualized plan of care; (ii) individual service plan under section 256B.092, subdivision 1b, if required; or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105, subpart 19, if required.

(b) To be eligible for a variance under paragraph (a), the adult foster care license holder must not have had a licensing action under section 245A.06 or 245A.07 during the prior 24 months based on failure to provide adequate supervision, health care services, or resident safety in the adult foster care home.

Sec. 4. Minnesota Statutes 2002, section 245B.03, is amended by adding a subdivision to read:

Subd. 3. [CONTINUITY OF CARE.] (a) When a consumer changes service to the same type of service provided under a different license held by the same license holder and the policies and procedures under section 245B.07, subdivision 8, are substantially similar, the license holder is exempt from the requirements in sections 245B.06, subdivisions 2, paragraphs (e) and (f), and 4; and 245B.07, subdivision 9, clause (2).

(b) When a direct service staff person begins providing direct service under one or more licenses other than the license for which the staff person initially received the staff orientation requirements under section 245B.07, subdivision 5, the license holder is exempt from all staff orientation requirements under section 245B.07, subdivision 5, except that:

(1) if the service provision location changes, the staff person must receive orientation regarding any policies or procedures under section 245B.07, subdivision 8, that are specific to the service provision location; and

(2) if the staff person provides direct service to one or more consumers to whom the staff person has not previously provided direct service, the staff person must review each consumer's: (i) service plans and risk management plan in accordance with section 245B.07, subdivision 5, paragraph (b), clause (1); and (ii) medication administration in accordance with section 245B.07, subdivision 5, paragraph (b), clause (6).

Sec. 5. Minnesota Statutes 2002, section 245B.06, subdivision 2, is amended to read:

Subd. 2. [RISK MANAGEMENT PLAN.] (a) The license holder must develop and, document in writing, and implement a risk management plan that incorporates the individual abuse prevention plan as required in section 245A.65 meets the requirements of this subdivision. License holders licensed under this chapter are exempt from sections 245A.65, subdivision 2, and 626.557, subdivision 14, if the requirements of this subdivision are met.

(b) The risk management plan must identify areas in which the consumer is vulnerable, based on an assessment, at a minimum, of the following areas:

(1) an adult consumer's susceptibility to physical, emotional, and sexual abuse as defined in section 626.5572, subdivision 2, and financial exploitation as defined in section 626.5572, subdivision 9; a minor consumer's susceptibility to sexual and physical abuse as defined in section 626.556, subdivision 2; and a consumer's susceptibility to self-abuse, regardless of age;

(2) the consumer's health needs, considering the consumer's physical disabilities; allergies; sensory impairments; seizures; diet; need for medications; and ability to obtain medical treatment;

(3) the consumer's safety needs, considering the consumer's ability to take reasonable safety precautions; community survival skills; water survival skills; ability to seek assistance or provide medical care; and access to toxic substances or dangerous items;

(4) environmental issues, considering the program's location in a particular neighborhood or community; the type of grounds and terrain surrounding the building; and the consumer's ability to respond to weather-related conditions, open locked doors, and remain alone in any environment; and

(5) the consumer's behavior, including behaviors that may increase the likelihood of physical aggression between consumers or sexual activity between consumers involving force or coercion, as defined under section 245B.02, subdivision 10, clauses (6) and (7).

(c) When assessing a consumer's vulnerability, the license holder must consider only the consumer's skills and abilities, independent of staffing patterns, supervision plans, the environment, or other situational elements.

(d) License holders jointly providing services to a consumer shall coordinate and use the resulting assessment of risk areas for the development of this each license holder's risk management or the shared risk management plan. Upon initiation of services, the license holder will have in place an initial risk management plan that identifies areas in which the consumer is vulnerable, including health, safety, and environmental issues and the supports the provider will have in place to protect the consumer and to minimize these risks. The plan must be changed based on the needs of the individual consumer and reviewed at least annually. The license holder's plan must include the specific actions a staff person will take to protect the consumer and minimize risks for the identified vulnerability areas. The specific actions must include the proactive measures being taken, training being provided, or a detailed description of actions a staff person will take when intervention is needed.

(e) Prior to or upon initiating services, a license holder must develop an initial risk management plan that is, at a minimum, verbally approved by the consumer or consumer's legal representative and case manager. The license holder must document the date the license holder receives the

consumer's or consumer's legal representative's and case manager's verbal approval of the initial plan.

(f) As part of the meeting held within 45 days of initiating service, as required under section 245B.06, subdivision 4, the license holder must review the initial risk management plan for accuracy and revise the plan if necessary. The license holder must give the consumer or consumer's legal representative and case manager an opportunity to participate in this plan review. If the license holder revises the plan, or if the consumer or consumer's legal representative and case manager have not previously signed and dated the plan, the license holder must obtain dated signatures to document the plan's approval.

(g) After plan approval, the license holder must review the plan at least annually and update the plan based on the individual consumer's needs and changes to the environment. The license holder must give the consumer or consumer's legal representative and case manager an opportunity to participate in the ongoing plan development. The license holder shall obtain dated signatures from the consumer or consumer's legal representative and case manager to document completion of the annual review and approval of plan changes.

Sec. 6. Minnesota Statutes 2002, section 245B.06, subdivision 5, is amended to read:

Subd. 5. [PROGRESS REVIEWS.] The license holder must participate in progress review meetings following stated time lines established in the consumer's individual service plan or as requested in writing by the consumer, the consumer's legal representative, or the case manager, at a minimum of once a year. The license holder must summarize the progress toward achieving the desired outcomes and make recommendations in a written report sent to the consumer or the consumer's legal representative and case manager prior to the review meeting. ~~For consumers under public guardianship, the license holder is required to provide quarterly written progress review reports to the consumer, designated family member, and case manager.~~

Sec. 7. Minnesota Statutes 2002, section 245B.07, subdivision 6, is amended to read:

Subd. 6. [STAFF TRAINING.] (a) The license holder shall ensure that direct service staff annually complete hours of training equal to two percent of the number of hours the staff person worked or one percent for license holders providing semi-independent living services. Direct service staff who have worked for the license holder for an average of at least 30 hours per week for 24 or more months must annually complete hours of training equal to one percent of the number of hours the staff person worked. If direct service staff has received training from a license holder licensed under a program rule identified in this chapter or completed course work regarding disability-related issues from a post-secondary educational institute, that training may also count toward training requirements for other services and for other license holders.

(b) The license holder must document the training completed by each employee.

(c) Training shall address staff competencies necessary to address the consumer needs as identified in the consumer's individual service plan and ensure consumer health, safety, and protection of rights. Training may also include other areas identified by the license holder.

(d) For consumers requiring a 24-hour plan of care, the license holder shall provide training in cardiopulmonary resuscitation, from a qualified source determined by the commissioner, if the consumer's health needs as determined by the consumer's physician indicate trained staff would be necessary to the consumer.

Sec. 8. Minnesota Statutes 2002, section 245B.07, subdivision 9, is amended to read:

Subd. 9. [AVAILABILITY OF CURRENT WRITTEN POLICIES AND PROCEDURES.] The license holder shall:

(1) review and update, as needed, the written policies and procedures in this chapter ~~and inform all consumers or the consumer's legal representatives, case managers, and employees of the revised policies and procedures when they affect the service provision;~~

(2) inform consumers or the consumer's legal representatives of the written policies and procedures in this chapter upon service initiation. Copies must be available to consumers or the consumer's legal representatives, case managers, the county where services are located, and the commissioner upon request; and

(3) provide all consumers or the consumers' legal representatives and case managers a copy and explanation of revisions to policies and procedures that affect consumers' service-related or protection-related rights under section 245B.04. Unless there is reasonable cause, the license holder must provide this notice at least 30 days before implementing the revised policy and procedure. The license holder must document the reason for not providing the notice at least 30 days before implementing the revisions;

(4) annually notify all consumers or the consumers' legal representatives and case managers of any revised policies and procedures under this chapter, other than those in clause (3). Upon request, the license holder must provide the consumer or consumer's legal representative and case manager copies of the revised policies and procedures;

(5) before implementing revisions to policies and procedures under this chapter, inform all employees of the revised policies and procedures; and

(6) document and maintain relevant information related to the policies and procedures in this chapter.

Sec. 9. Minnesota Statutes 2002, section 245B.08, subdivision 1, is amended to read:

Subdivision 1. [ALTERNATIVE METHODS OF DETERMINING COMPLIANCE.] (a) In addition to methods specified in chapter 245A, the commissioner may use alternative methods and new regulatory strategies to determine compliance with this section. The commissioner may use sampling techniques to ensure compliance with this section. Notwithstanding section 245A.09, subdivision 7, paragraph (d) (e), the commissioner may also extend periods of licensure, not to exceed five years, for license holders who have demonstrated substantial and consistent compliance with sections 245B.02 to 245B.07 and have consistently maintained the health and safety of consumers and have demonstrated by alternative methods in paragraph (b) that they meet or exceed the requirements of this section. For purposes of this section, "substantial and consistent compliance" means that during the current licensing period:

- (1) the license holder's license has not been made conditional, suspended, or revoked;
- (2) there have been no substantiated allegations of maltreatment against the license holder;
- (3) there have been no program deficiencies that have been identified that would jeopardize the health or safety of consumers being served; and

(4) the license holder is in substantial compliance with the other requirements of chapter 245A and other applicable laws and rules.

(b) To determine the length of a license, the commissioner shall consider:

(1) information from affected consumers, and the license holder's responsiveness to consumers' concerns and recommendations;

(2) self assessments and peer reviews of the standards of this section, corrective actions taken by the license holder, and sharing the results of the inspections with consumers, the consumers' families, and others, as requested;

(3) length of accreditation by an independent accreditation body, if applicable;

(4) information from the county where the license holder is located; and

(5) information from the license holder demonstrating performance that meets or exceeds the minimum standards of this chapter.

(c) The commissioner may reduce the length of the license if the license holder fails to meet the criteria in paragraph (a) and the conditions specified in paragraph (b).

ARTICLE 5

REDUCTION OF DUPLICATIVE HEALTH AND HUMAN SERVICES

LICENSING ACTIVITIES

Section 1. Minnesota Statutes 2002, section 144.057, subdivision 1, is amended to read:

Subdivision 1. [BACKGROUND STUDIES REQUIRED.] The commissioner of health shall contract with the commissioner of human services to conduct background studies of:

(1) individuals providing services which have direct contact, as defined under section 245A.04, subdivision 3, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; ICFs/MR certified by the commissioner of health as intermediate care facilities that provide services for persons with mental retardation or related conditions under Code of Federal Regulations, title 42, section 483; residential care homes licensed under chapter 144B, and board and lodging establishments that are registered to provide supportive or health supervision services under section 157.17;

(2) individuals specified in section 245A.04, subdivision 3, paragraph (c), who perform direct contact services in a nursing home or a home care agency licensed under chapter 144A or a boarding care home licensed under sections 144.50 to 144.58, and if the individual under study resides outside Minnesota, the study must be at least as comprehensive as that of a Minnesota resident and include a search of information from the criminal justice data communications network in the state where the subject of the study resides;

(3) beginning July 1, 1999, all other employees in nursing homes licensed under chapter 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of an individual in this section shall disqualify the individual from positions allowing direct contact or access to patients or residents receiving services. "Access" means physical access to a client or the client's personal property without continuous, direct supervision as defined in section 245A.04, subdivision 3, paragraph (b), clause (2), when the employee's employment responsibilities do not include providing direct contact services;

(4) individuals employed by a supplemental nursing services agency, as defined under section 144A.70, who are providing services in health care facilities; and

(5) controlling persons of a supplemental nursing services agency, as defined under section 144A.70.

If a facility or program is licensed by the department of human services and subject to the background study provisions of chapter 245A and is also licensed by the department of health, the department of human services is solely responsible for the background studies of individuals in the jointly licensed programs.

Sec. 2. Minnesota Statutes 2002, section 144.50, subdivision 6, is amended to read:

Subd. 6. [SUPERVISED LIVING FACILITY LICENSES.] (a) The commissioner may license as a supervised living facility a facility seeking medical assistance certification as an intermediate care facility for persons with mental retardation or related conditions for four or more persons as authorized under section 252.291.

(b) Class B supervised living facilities shall be classified as follows for purposes of the State Building Code:

(1) Class B supervised living facilities for six or less persons must meet Group R, Division 3, occupancy requirements; and

(2) Class B supervised living facilities for seven to 16 persons must meet Group R, Division 1, occupancy requirements.

(c) Class B facilities classified under paragraph (b), clauses (1) and (2), must meet the fire protection provisions of chapter 21 of the 1985 Life Safety Code, NFPA 101, for facilities housing persons with impractical evacuation capabilities, except that Class B facilities licensed prior to July 1, 1990, need only continue to meet institutional fire safety provisions. Class B supervised living facilities shall provide the necessary physical plant accommodations to meet the needs and functional disabilities of the residents. For Class B supervised living facilities licensed after July 1, 1990, and housing nonambulatory or nonmobile persons, the corridor access to bedrooms, common spaces, and other resident use spaces must be at least five feet in clear width, except that a waiver may be requested in accordance with Minnesota Rules, part 4665.0600.

(d) ~~The commissioner may license as a Class A supervised living board and lodge facility under chapter 157 as a residential program for chemically dependent individuals that allows children to reside with the parent receiving treatment in the facility. The licensee of the program shall be responsible for the health, safety, and welfare of the children residing in the facility. The facility in which the program is located must be provided with a sprinkler system approved by the state fire marshal. The licensee shall also provide additional space and physical plant accommodations appropriate for the number and age of children residing in the facility. For purposes of license capacity, each child residing in the facility shall be considered to be a resident.~~

Sec. 3. [144.601] [ICFs/MR; LICENSURE.]

Subdivision 1. [REQUIREMENTS GOVERNING ICFs/MR.] (a) When certifying an intermediate care facility for persons with mental retardation or related conditions or ICF/MR, the commissioner shall:

- (1) license the facility as a supervised living facility under sections 144.50 to 144.58;
- (2) assure compliance with requirements set forth in the code of federal regulations governing intermediate care facilities for persons with mental retardation or related conditions;
- (3) enforce requirements governing the use of aversive and deprivation procedures set forth in Minnesota Rules, parts 9525.2700 to 9525.2810; and
- (4) assure compliance with the psychotropic medication use checklist defined under section 245B.02, subdivision 19.

(b) The commissioner of health may not grant a variance to any requirements governing use of aversive and deprivation procedures under Minnesota Rules, parts 9525.2700 to 9525.2810; compliance with the psychotropic medication use checklist; or provisions governing data practices.

(c) The commissioner of health shall monitor compliance with the requirements governing ICFs/MR in subdivisions 2 to 14.

Subd. 2. [CONSUMER HEALTH.] The license holder is responsible for meeting a consumer's health service needs assigned to the license holder in the individual service plan and for bringing a consumer's health needs, as discovered by the license holder, promptly to the attention of the consumer, the consumer's legal representative, and the case manager.

Subd. 3. [FIRST AID.] When the license holder is providing direct service and supervision to a consumer who requires a 24-hour plan of care and receives services at an ICF/MR, the license holder must have available a staff person trained in first aid and cardiopulmonary resuscitation from a qualified source, as determined by the commissioner.

Subd. 4. [REPORTING INCIDENTS.] (a) The license holder must maintain information about and report incidents to a consumer's legal representative, other licensed caregiver, if any, and case manager within 24 hours of the occurrence, or within 24 hours of receipt of the information unless the incident has been reported by another license holder.

(b) When the incident involves more than one consumer, the license holder must not disclose personally identifiable information about any other consumer when making the report to each consumer's legal representative, other licensed caregiver, if any, and case manager, unless the license holder has the consent of a consumer or a consumer's legal representative.

(c) Within 24 hours of reporting maltreatment as required under section 626.556 or 626.557, the license holder must inform the consumer's legal representative and case manager of the report unless there is reason to believe that the legal representative or case manager is involved in the suspected maltreatment. The information the license holder must disclose is the nature of the activity or occurrence reported, the agency that received the report, and the telephone number of the commissioner of health's office of health facility complaints.

(d) The license holder must report a consumer's death or serious injury to the commissioner of health and the ombudsman, as required under sections 245.91 and 245.94, subdivision 2a.

(e) For purposes of this subdivision, "incident" means any of the following:

(1) serious injury as determined by section 245.91, subdivision 6;

(2) a consumer's death;

(3) any medical emergencies, unexpected serious illnesses, or accidents that require physician treatment or hospitalization;

(4) a consumer's unauthorized absence;

(5) any fires or other circumstances involving a law enforcement agency;

(6) physical aggression by a consumer against another consumer that causes physical pain, injury, or persistent emotional distress, including, but not limited to, hitting, slapping, kicking, scratching, pinching, biting, pushing, and spitting;

(7) any sexual activity between consumers involving force or coercion as defined under section 609.341, subdivisions 3 and 14; or

(8) a report of child or vulnerable adult maltreatment under section 626.556 or 626.557.

Subd. 5. [PROGRESS REVIEWS.] The license holder must participate in progress review meetings following stated time lines established in the consumer's individual service plan or as requested in writing by the consumer, the consumer's legal representative, or the case manager, at a minimum of once a year. The license holder must summarize the progress toward achieving the desired outcomes and make recommendations in a written report sent to the consumer or the consumer's legal representative and case manager before the review meeting.

Subd. 6. [LEAVING THE RESIDENCE.] As specified in each consumer's individual service plan, each consumer requiring a 24-hour plan of care must leave the residence to participate in regular education, employment, or community activities. License holders providing services to consumers living in a licensed site must ensure that they are prepared to care for consumers whenever they are at the residence during the day because of illness, work schedules, or other reasons.

Subd. 7. [PROHIBITION.] The license holder must not use psychotropic medication and the use of aversive and deprivation procedures, as referenced in section 245.825 and rules promulgated under that section, as a substitute for adequate staffing, as punishment, or for staff convenience.

Subd. 8. [CONSUMER DATA FILE.] The license holder must maintain the following information for each consumer:

(1) identifying information that includes date of birth, medications, legal representative, history, medical, and other individual-specific information, and names and telephone numbers of contacts;

(2) consumer health information, including individual medication administration and monitoring information;

(3) the consumer's individual service plan. When a consumer's case manager does not provide a current individual service plan, the license holder must make a written request to the case manager to provide a copy of the individual service plan and inform the consumer or the consumer's legal representative of the right to an individual service plan and the right to appeal under section 256.045;

(4) copies of assessments, analyses, summaries, and recommendations;

(5) progress review reports;

(6) incidents involving the consumer;

(7) reports required under subdivision 4;

(8) discharge summary, when applicable;

(9) record of other license holders serving the consumer that includes a contact person and telephone numbers, services being provided, services that require coordination between two license holders, and name of staff responsible for coordination;

(10) information about verbal aggression directed at the consumer by another consumer; and

(11) information about self-abuse.

Subd. 9. [ACCESS TO RECORDS.] The license holder must ensure that the following people have access to the information in subdivision 8:

(1) the consumer, the consumer's legal representative, and anyone properly authorized by the consumer or legal representative;

(2) the consumer's case manager; and

(3) staff providing direct services to the consumer unless the information is not relevant to carrying out the individual service plan.

Subd. 10. [RETENTION OF CONSUMER'S RECORDS.] The license holder must retain the records required for consumers for at least three years following termination of services.

Subd. 11. [STAFF ORIENTATION.] (a) Within 60 days of hiring staff who provide direct service, the license holder must provide 30 hours of staff orientation. Direct care staff must complete 15 of the 30 hours of orientation before providing any unsupervised direct service to a consumer.

(b) The 30 hours of orientation must combine supervised on-the-job training with coverage of the following material:

(1) review of the consumer's service plans and risk management plan to achieve an understanding of the consumer as a unique individual;

(2) review and instruction on the license holder's policies and procedures, including their location and access;

(3) emergency procedures;

(4) explanation of specific job functions, including implementing objectives from the consumer's individual service plan;

(5) explanation of responsibilities related to sections 626.556 and 626.557, governing maltreatment reporting and service planning for children and vulnerable adults, and section 245.825, governing use of aversive and deprivation procedures;

(6) medication administration as it applies to the individual consumer, and when the consumer meets the criteria of having overriding health care needs, then medication administration taught by a health services professional. Staff may administer medications only after they demonstrate the ability, as defined in the license holder's medication administration policy and procedures. Once a consumer with overriding health care needs is admitted, the license holder must provide staff with remedial training as deemed necessary by the license holder and the health professional to meet the needs of that consumer. For purposes of this requirement, overriding health care needs means a health care condition that affects the service options available to the consumer because the condition requires: (i) specialized or intensive medical or nursing supervision; and (ii) nonmedical service providers to adapt their services to accommodate the health and safety needs of the consumer;

(7) consumer rights; and

(8) other topics necessary as determined by the consumer's individual service plan or other areas identified by the license holder.

(c) The license holder must document the orientation each employee receives.

Subd. 12. [STAFF TRAINING.] (a) The license holder must ensure that direct service staff annually complete hours of training equal to two percent of the number of hours the staff person worked. Direct service staff who have worked for the license holder for an average of at least 30 hours per week for 24 or more months must annually complete hours of training equal to one percent of the number of hours the staff person worked.

(b) The license holder must document the training completed by each employee.

(c) Training must address staff competencies necessary to address the consumer's needs as identified in the consumer's individual service plan and ensure consumer health, safety, and protection of rights. Training may also include other areas identified by the license holder.

(d) For consumers requiring a 24-hour plan of care, the license holder must provide training in cardiopulmonary resuscitation, from a qualified source determined by the commissioner, if the consumer's health needs as determined by the consumer's physician indicate trained staff would be necessary to the consumer.

Subd. 13. [POLICIES AND PROCEDURES.] The license holder must develop and implement the following policies and procedures:

(1) psychotropic medication monitoring when the consumer is prescribed a psychotropic medication, including the use of the psychotropic medication use checklist. If the responsibility for implementing the psychotropic medication use checklist has not been assigned in the individual service plan and the consumer lives in a licensed site, the residential license holder must be designated;

(2) criteria for admission or service initiation developed by the license holder;

(3) policies and procedures that promote continuity and quality of consumer supports by ensuring:

(i) continuity of care and service coordination, including provisions for service termination, temporary service suspension, and efforts made by the license holder to coordinate services with other vendors who also provide support to the consumer. The policy must include the following requirements:

(A) the license holder must notify the consumer or consumer's legal representative and the consumer's case manager in writing of the intended termination or temporary service suspension and the consumer's right to seek a temporary order staying the termination or suspension of service according to the procedures in section 256.045, subdivision 4a or subdivision 6, paragraph (c);

(B) notice of the proposed termination of services, including those situations that began with a temporary service suspension, must be given at least 60 days before the proposed termination is to become effective;

(C) the license holder must provide information requested by the consumer or consumer's legal representative or case manager when services are temporarily suspended or upon notice of termination;

(D) use of temporary service suspension procedures are restricted to situations in which the consumer's behavior causes immediate and serious danger to the health and safety of the individual or others;

(E) prior to giving notice of service termination or temporary service suspension, the license holder must document actions taken to minimize or eliminate the need for service termination or temporary service suspension; and

(F) during the period of temporary service suspension, the license holder will work with the appropriate county agency to develop reasonable alternatives to protect the individual and others; and

(ii) quality services measured through a program evaluation process including regular evaluations of consumer satisfaction and sharing the results of the evaluations with the consumers and legal representatives.

Subd. 14. [CONSUMER FUNDS.] (a) The license holder must ensure that consumers retain the use and availability of personal funds or property unless restrictions are justified in the consumer's individual service plan.

(b) The license holder must ensure separation of consumer funds from funds of the license holder, the program, or program staff.

(c) Whenever the license holder assists a consumer with the safekeeping of funds or other property, the license holder must have written authorization to do so by the consumer or the consumer's legal representative, and the case manager. In addition, the license holder must:

(1) document receipt and disbursement of the consumer's funds or the property;

(2) annually survey, document, and implement the preferences of the consumer, consumer's legal representative, and the case manager for frequency of receiving a statement that itemizes receipts and disbursements of consumer funds or other property; and

(3) return to the consumer, upon the consumer's request, funds and property in the license holder's possession subject to restrictions in the consumer's individual service plan, as soon as possible, but no later than three working days after the date of the request.

(d) License holders and program staff must not:

(1) borrow money from a consumer;

(2) purchase personal items from a consumer;

(3) sell merchandise or personal services to a consumer;

(4) require a consumer to purchase items for which the license holder is eligible for reimbursement; or

(5) use consumer funds in a manner that would violate requirements under this subdivision.

Sec. 4. Minnesota Statutes 2002, section 245A.02, subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL PROGRAM.] "Residential program" means a program that provides 24-hour-a-day care, supervision, food, lodging, rehabilitation, training, education,

habilitation, or treatment outside a person's own home, including a nursing home or hospital that receives public funds, administered by the commissioner, to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a program in ~~an intermediate care facility~~ a board and lodging or supervised living facility for four or more persons with mental retardation or a related condition that is not an ICF/MR; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a hospital or nursing home and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Residential programs include home and community-based services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 5. Minnesota Statutes 2002, section 245A.02, is amended by adding a subdivision to read:

Subd. 20. [ICF/MR.] For purposes of this chapter, ICF/MR means an intermediate care facility for persons with mental retardation or related conditions as defined in section 256B.055, subdivision 12, paragraph (d).

Sec. 6. Minnesota Statutes 2002, section 245A.03, is amended by adding a subdivision to read:

Subd. 1a. [LICENSING JURISDICTION; MINIMIZING DUPLICATION OF AGENCY LICENSING ACTIVITIES.] (a) To minimize the duplication of licensing activities between the commissioners of human services and health related to ICFs/MR and residential programs licensed by the commissioner of human services that also have a supervised living facility class A license issued by the commissioner of health, the commissioners' jurisdiction over licensing activities is determined under this subdivision.

(b) The commissioner of health shall have sole responsibility for licensing ICFs/MR, including investigating allegations of maltreatment in the facilities and contracting with the commissioner of human services under section 144.057, subdivision 1, for the required background studies. In addition to enforcement of ICF/MR standards and supervised living facility standards, the commissioner of health shall enforce Minnesota Rules, parts 9525.2700 to 9525.2810, regarding use of aversive and deprivation procedures, and requirements related to the psychotropic medication use checklist defined in section 245B.02, subdivision 19.

(c) The commissioner of human services shall enforce licensure requirements for residential mental health treatment facilities and residential chemical dependency treatment facilities. Except for chemical dependency detoxification programs that also have a supervised living facility license class B under sections 144.50 to 144.56, programs licensed under Minnesota Rules, parts 9530.4100 to 9530.4450 and parts 9520.0500 to 9520.0690, shall be licensed as board and lodge under chapter 157.

(d) Residential programs licensed by the commissioner of human services under chapter 245A that are also licensed by the commissioner of health as class B supervised living facilities under sections 144.50 to 144.601, on March 1, 2003, shall continue to be licensed as class B supervised living facilities until such time as the commissioners of health, human services, public safety, and administration determine whether the international building code and fire code to become effective in 2003 will provide adequate safety, when combined with a board and lodging license for these programs.

Sec. 7. Minnesota Statutes 2002, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] (a) This chapter does not apply to:

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

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

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of economic security;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120A.22, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of children, families, and learning;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

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

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency;

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

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year or programs operated by a park and recreation board of a city of the first class whose primary purpose is to provide social and recreational activities to school age children, provided the program is approved by the park and recreation board;

(12) programs operated by a school as defined in section 120A.22, subdivision 4, whose primary purpose is to provide child care to school-age children, provided the program is approved by the district's school board;

(13) Head Start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

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

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

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

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

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence;

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

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

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

(26) ICFs/MR; or

(27) consumer-directed community support service funded under the Medicaid waiver for persons with mental retardation and related conditions when the individual who provided the service is:

(i) the same individual who is the direct payee of these specific waiver funds or paid by a fiscal agent, fiscal intermediary, or employer of record; and

(ii) not otherwise under the control of a residential or nonresidential program that is required to be licensed under this chapter when providing the service.

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

(c) Nothing in this chapter shall be construed to require licensure for any services provided and funded according to an approved federal waiver plan where licensure is specifically identified as not being a condition for the services and funding.

Sec. 8. [245A.157] [ADDITIONAL LICENSING STANDARDS FOR CERTAIN RESIDENTIAL PROGRAMS.]

Subdivision 1. [COMPANION LICENSE REQUIREMENT.] Notwithstanding any law or rule to the contrary, a residential program:

(1) serving persons with mental retardation or related conditions that is not foster care and is not an ICF/MR, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825;

(2) licensed to provide category I or II services to persons with mental illness under Minnesota Rules, parts 9520.0500 to 9520.0690, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825;

(3) licensed to provide category I chemical dependency services under Minnesota Rules, parts 9530.4100 to 9530.4450, must have at least a supervised living facility class B license issued by the commissioner of health under sections 144.50 to 144.58; and

(4) licensed to provide category II, III, or IV chemical dependency services under Minnesota Rules, parts 9530.4100 to 9530.4450, must have at least a board and lodge license issued by the commissioner of health under chapter 157 in accordance with Minnesota Rules, parts 4625.0100 to 4625.2355 and 4626.0010 to 4626.1825.

Subd. 2. [ADDITIONAL LICENSING REQUIREMENTS FOR MENTAL HEALTH AND CHEMICAL DEPENDENCY TREATMENT PROGRAMS.] (a) In addition to licensing requirements set forth in Minnesota Rules, parts 9520.0500 to 9520.0690, for programs serving persons with mental illness, and Minnesota Rules, parts 9530.4100 to 9530.4450, for programs serving persons with a chemical dependency, the commissioner of human services shall ensure compliance with the requirements under this subdivision.

(b) Before providing medication assistance to a person served by a program, an employee, other than a physician, registered nurse, or licensed practical nurse, who is responsible for medication assistance must provide a certificate verifying successful completion of a formalized training program offered by the license holder. The training program must be taught and supervised by a registered nurse. The training must include, but is not limited to, the proper storage, dispensing, and recording of medications. The license holder must document the medication administration training provided by a registered nurse to unlicensed personnel and place the documentation in the unlicensed employees' personnel records. A registered nurse must provide consultation and review of the license holder's administration of medications, including a timely review of all medication errors.

(c) A facility must have a written plan that specifies actions and procedures for responding to fire, serious illness, severe weather, missing persons, and other emergencies. The program administrator must review the plan with staff and residents. The license holder must develop the plan with the advice of the local fire and rescue authority or other emergency response authorities. The plan must specify responsibilities assumed by the license holder for assisting residents who require emergency care or special assistance in emergencies. The license holder must ensure that all staff providing program services review the following at least quarterly:

- (1) assignment of persons to specific tasks and responsibilities in an emergency situation;
- (2) instructions on using alarm systems and emergency equipment;
- (3) when and how to notify appropriate persons outside the facility; and
- (4) evacuation routes and procedures.

(d) Clients and residents have the right to:

(1) be treated with courtesy and respect for their individuality by employees of or persons providing service in a health care facility;

(2) refuse treatment. A license holder must inform residents or clients who refuse treatment, medication, or dietary restrictions of the likely medical or major psychological results of the refusal, and put documentation of the refusal in the individual client record;

(3) be free from maltreatment as defined under sections 626.5572 and 626.556;

(4) confidential treatment of the client's or resident's personal and medical records. The client or resident may approve or refuse the release of personal and medical records to any individual outside the facility;

(5) retain and use their personal clothing and possessions as space permits, unless doing so infringes upon the rights of other clients or residents or is medically or programmatically contraindicated for documented medical, safety, or programmatic reasons. The facility must maintain a central locked depository or provide individual locked storage areas in which clients or residents may store valuables for safekeeping. The facility may, but is not required to, provide compensation for or replacement of lost or stolen items; and

(6) not perform labor or services for the facility unless the activities are included for therapeutic purposes and appropriately goal-related in their individual medical record.

Sec. 9. Minnesota Statutes 2002, section 245B.01, is amended to read:

245B.01 [RULE CONSOLIDATION.]

This chapter establishes new methods to ensure the quality of services to persons with mental retardation or related conditions, and streamlines and simplifies regulation of services and supports for persons with mental retardation or related conditions. Sections 245B.02 to 245B.07 establishes new standards that eliminate duplication and overlap of regulatory requirements by consolidating and replacing rule parts from four program rules. Section 245B.08 authorizes the commissioner of human services to develop and use new regulatory strategies to maintain compliance with the streamlined requirements. This chapter does not apply to ICFs/MR.

Sec. 10. Minnesota Statutes 2002, section 245B.02, subdivision 13, is amended to read:

Subd. 13. [INTERMEDIATE CARE FACILITY FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS OR ICF/MR.] "Intermediate care facility" for persons with mental retardation or related conditions or ICF/MR means a residential program licensed to provide services to persons with mental retardation or related conditions under section 252.28 and chapter 245A and a physical facility licensed as a supervised living facility under chapter 144, which together are certified by the department of health as an intermediate care facility for persons with mental retardation or related conditions.

Sec. 11. Minnesota Statutes 2002, section 245B.03, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The standards in this chapter govern services to persons with mental retardation or related conditions receiving services from license holders providing residential-based habilitation; day training and habilitation services for adults; supported employment; semi-independent living services; residential programs ~~that serve more than four consumers, including intermediate care facilities for persons with mental retardation for persons with mental retardation or related conditions that are not licensed as foster care programs and are not ICFs/MR;~~ and respite care provided outside the consumer's home for more than four consumers at the same time at a single site.

Sec. 12. Minnesota Statutes 2002, section 245B.03, subdivision 2, is amended to read:

Subd. 2. [RELATIONSHIP TO OTHER STANDARDS GOVERNING SERVICES FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.] (a) ~~ICFs/MR are exempt from:~~

(1) ~~section 245B.04;~~

(2) ~~section 245B.06, subdivisions 4 and 6; and~~

(3) ~~section 245B.07, subdivisions 4, paragraphs (b) and (c); 7; and 8, paragraphs (1), clause (iv), and (2).~~

(b) License holders also licensed under chapter 144 as a supervised living facility are exempt from section 245B.04.

(e) (b) Residential service sites controlled by license holders licensed under chapter 245B for home and community-based waived services for four or fewer adults are exempt from compliance with Minnesota Rules, parts 9543.0040, subpart 2, item C; 9555.5505; 9555.5515, items B and G; 9555.5605; 9555.5705; 9555.6125, subparts 3, item C, subitem (2), and 4 to 6; 9555.6185; 9555.6225, subpart 8; 9555.6245; 9555.6255; and 9555.6265. The commissioner may approve alternative methods of providing overnight supervision using the process and criteria for granting a variance in section 245A.04, subdivision 9. This chapter does not apply to foster care homes that do not provide residential habilitation services funded under the home and community-based waiver programs defined in section 256B.092.

(d) (c) The commissioner may exempt license holders from applicable standards of this chapter when the license holder meets the standards under section 245A.09, subdivision 7. License holders that are accredited by an independent accreditation body shall continue to be licensed under this chapter.

(e) ~~(d)~~ License holders governed by sections 245B.02 to 245B.07 must also meet the licensure requirements in chapter 245A.

(f) ~~(e)~~ Nothing in this chapter prohibits license holders from concurrently serving consumers with and without mental retardation or related conditions provided this chapter's standards are met as well as other relevant standards.

(g) ~~(f)~~ The documentation that sections 245B.02 to 245B.07 require of the license holder meets the individual program plan required in section 256B.092 or successor provisions.

Sec. 13. Minnesota Statutes 2002, section 252.27, subdivision 1, is amended to read:

Subdivision 1. [COUNTY OF FINANCIAL RESPONSIBILITY.] Whenever any child who has mental retardation or a related condition, or a physical disability or emotional disturbance is in 24-hour care outside the home including respite care, in an ICF/MR or a facility licensed by the commissioner of human services, the cost of services shall be paid by the county of financial responsibility determined pursuant to chapter 256G. If the child's parents or guardians do not reside in this state, the cost shall be paid by the responsible governmental agency in the state from which the child came, by the parents or guardians of the child if they are financially able, or, if no other payment source is available, by the commissioner of human services.

Sec. 14. Minnesota Statutes 2002, section 252.28, subdivision 2, is amended to read:

Subd. 2. [RULES; PROGRAM STANDARDS; LICENSES.] The commissioner of human services shall:

(1) Establish uniform rules and program standards for each type of residential and day facility or service for persons with mental retardation or related conditions, including state hospitals under control of the commissioner and serving persons with mental retardation or related conditions, and excluding persons with mental retardation or related conditions residing with their families or in ICFs/MR.

(2) Grant licenses according to the provisions of Laws 1976, chapter 243, sections 2 to 13.

Sec. 15. Minnesota Statutes 2002, section 252.291, subdivision 1, is amended to read:

Subdivision 1. [MORATORIUM.] Notwithstanding section 252.28, subdivision 1, or any other law or rule to the contrary, the commissioner of human services shall deny any request for a determination of need ~~and refuse to grant a license pursuant to section 245A.02~~ for any new intermediate care facility for persons with mental retardation or related conditions or for an increase in the licensed capacity of an existing facility except as provided in this subdivision and subdivision 2. The total number of certified intermediate care beds for persons with mental retardation or related conditions in community facilities and state hospitals shall not exceed 7,000 beds except that, to the extent that federal authorities disapprove any applications of the commissioner for home and community-based waivers under United States Code, title 42, section 1396n, as amended through December 31, 1987, the commissioner may authorize new intermediate care beds, as necessary, to serve persons with mental retardation or related conditions who would otherwise have been served under a proposed waiver. "Certified bed" means an intermediate care bed for persons with mental retardation or related conditions certified by the commissioner of health for the purposes of the medical assistance program under United States Code, title 42, sections 1396 to 1396p, as amended through December 31, 1987.

Sec. 16. Minnesota Statutes 2002, section 252.291, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION FOR LAKE OWASSO PROJECT.] (a) The commissioner shall authorize ~~and grant a license under chapter 245A to~~ a new intermediate care facility for persons with mental retardation effective January 1, 2000, under the following circumstances:

(1) the new facility replaces an existing 64-bed intermediate care facility for the mentally retarded located in Ramsey county;

(2) the new facility is located upon a parcel of land contiguous to the parcel upon which the existing 64-bed facility is located;

(3) the new facility is comprised of no more than eight twin home style buildings and an administration building;

(4) the total licensed bed capacity of the facility does not exceed 64 beds; and

(5) the existing 64-bed facility is demolished.

(b) The medical assistance payment rate for the new facility shall be the higher of the rate specified in paragraph (c) or as otherwise provided by law.

(c) The new facility shall be considered a newly established facility for rate setting purposes and shall be eligible for the investment per bed limit specified in section 256B.501, subdivision 11, paragraph (c), and the interest expense limitation specified in section 256B.501, subdivision 11, paragraph (d). Notwithstanding section 256B.5011, the newly established facility's initial payment rate shall be set according to Minnesota Rules, part 9553.0075, and shall not be subject to the provisions of section 256B.501, subdivision 5b.

(d) During the construction of the new facility, Ramsey county shall work with residents, families, and service providers to explore all service options open to current residents of the facility.

Sec. 17. Minnesota Statutes 2002, section 256B.055, subdivision 12, is amended to read:

Subd. 12. [DISABLED CHILDREN.] (a) A person is eligible for medical assistance if the person is under age 19 and qualifies as a disabled individual under United States Code, title 42, section 1382c(a), and would be eligible for medical assistance under the state plan if residing in a medical institution, and the child requires a level of care provided in a hospital, nursing facility, or intermediate care facility for persons with mental retardation or related conditions, for whom home care is appropriate, provided that the cost to medical assistance under this section is not more than the amount that medical assistance would pay for if the child resides in an institution. After the child is determined to be eligible under this section, the commissioner shall review the child's disability under United States Code, title 42, section 1382c(a) and level of care defined under this section no more often than annually and may elect, based on the recommendation of health care professionals under contract with the state medical review team, to extend the review of disability and level of care up to a maximum of four years. The commissioner's decision on the frequency of continuing review of disability and level of care is not subject to administrative appeal under section 256.045. Nothing in this subdivision shall be construed as affecting other redeterminations of medical assistance eligibility under this chapter and annual cost-effective reviews under this section.

(b) For purposes of this subdivision, "hospital" means an institution as defined in section 144.696, subdivision 3, 144.55, subdivision 3, or Minnesota Rules, part 4640.3600, and licensed pursuant to sections 144.50 to 144.58. For purposes of this subdivision, a child requires a level of care provided in a hospital if the child is determined by the commissioner to need an extensive array of health services, including mental health services, for an undetermined period of time, whose health condition requires frequent monitoring and treatment by a health care professional or by a person supervised by a health care professional, who would reside in a hospital or require frequent hospitalization if these services were not provided, and the daily care needs are more complex than a nursing facility level of care.

A child with serious emotional disturbance requires a level of care provided in a hospital if the commissioner determines that the individual requires 24-hour supervision because the person exhibits recurrent or frequent suicidal or homicidal ideation or behavior, recurrent or frequent psychosomatic disorders or somatopsychic disorders that may become life threatening, recurrent or frequent severe socially unacceptable behavior associated with psychiatric disorder, ongoing and chronic psychosis or severe, ongoing and chronic developmental problems requiring continuous skilled observation, or severe disabling symptoms for which office-centered outpatient treatment is not adequate, and which overall severely impact the individual's ability to function.

(c) For purposes of this subdivision, "nursing facility" means a facility which provides nursing care as defined in section 144A.01, subdivision 5, licensed pursuant to sections 144A.02 to 144A.10, which is appropriate if a person is in active restorative treatment; is in need of special treatments provided or supervised by a licensed nurse; or has unpredictable episodes of active disease processes requiring immediate judgment by a licensed nurse. For purposes of this subdivision, a child requires the level of care provided in a nursing facility if the child is determined by the commissioner to meet the requirements of the preadmission screening assessment document under section 256B.0911 and the home care independent rating document under section 256B.0627, subdivision 5, paragraph (f), item (iii), adjusted to address age-appropriate standards for children age 18 and under, pursuant to section 256B.0627, subdivision 5, paragraph (d), clause (2).

(d) For purposes of this subdivision, "intermediate care facility for persons with mental retardation or related conditions" or "ICF/MR" means a program licensed to provide services to persons with mental retardation under section 252.28, ~~and chapter 245A~~, and a physical plant licensed as a supervised living facility under chapter 144, which together are certified by the Minnesota department of health as meeting the standards in Code of Federal Regulations, title 42, part 483, for an intermediate care facility which provides services for persons with mental retardation or persons with related conditions who require 24-hour supervision and active treatment for medical, behavioral, or habilitation needs. For purposes of this subdivision, a child requires a level of care provided in an ICF/MR if the commissioner finds that the child has mental retardation or a related condition in accordance with section 256B.092, is in need of a 24-hour plan of care and active treatment similar to persons with mental retardation, and there is a reasonable indication that the child will need ICF/MR services.

(e) For purposes of this subdivision, a person requires the level of care provided in a nursing facility if the person requires 24-hour monitoring or supervision and a plan of mental health treatment because of specific symptoms or functional impairments associated with a serious mental illness or disorder diagnosis, which meet severity criteria for mental health established by the commissioner and published in March 1997 as the Minnesota Mental Health Level of Care for Children and Adolescents with Severe Emotional Disorders.

(f) The determination of the level of care needed by the child shall be made by the commissioner based on information supplied to the commissioner by the parent or guardian, the child's physician or physicians, and other professionals as requested by the commissioner. The commissioner shall establish a screening team to conduct the level of care determinations according to this subdivision.

(g) If a child meets the conditions in paragraph (b), (c), (d), or (e), the commissioner must assess the case to determine whether:

(1) the child qualifies as a disabled individual under United States Code, title 42, section 1382c(a), and would be eligible for medical assistance if residing in a medical institution; and

(2) the cost of medical assistance services for the child, if eligible under this subdivision, would not be more than the cost to medical assistance if the child resides in a medical institution to be determined as follows:

(i) for a child who requires a level of care provided in an ICF/MR, the cost of care for the child in an institution shall be determined using the average payment rate established for the regional treatment centers that are certified as ICFs/MR;

(ii) for a child who requires a level of care provided in an inpatient hospital setting according to paragraph (b), cost-effectiveness shall be determined according to Minnesota Rules, part 9505.3520, items F and G; and

(iii) for a child who requires a level of care provided in a nursing facility according to paragraph (c) or (e), cost-effectiveness shall be determined according to Minnesota Rules, part 9505.3040, except that the nursing facility average rate shall be adjusted to reflect rates which would be paid for children under age 16. The commissioner may authorize an amount up to the

amount medical assistance would pay for a child referred to the commissioner by the preadmission screening team under section 256B.0911.

(h) Children eligible for medical assistance services under section 256B.055, subdivision 12, as of June 30, 1995, must be screened according to the criteria in this subdivision prior to January 1, 1996. Children found to be ineligible may not be removed from the program until January 1, 1996.

Sec. 18. Minnesota Statutes 2002, section 626.5572, subdivision 6, is amended to read:

Subd. 6. [FACILITY.] (a) "Facility" means a hospital or other entity required to be licensed under sections 144.50 to 144.58; a nursing home required to be licensed to serve adults under section 144A.02; a residential or nonresidential facility required to be licensed to serve adults under sections ~~245A.01 to 245A.16~~ chapter 245A; an ICF/MR as defined in section 256B.055, subdivision 12; a home care provider licensed or required to be licensed under section 144A.46; a hospice provider licensed under sections 144A.75 to 144A.755; or a person or organization that exclusively offers, provides, or arranges for personal care assistant services under the medical assistance program as authorized under sections 256B.04, subdivision 16, 256B.0625, subdivision 19a, and 256B.0627.

(b) For home care providers and personal care attendants, the term "facility" refers to the provider or person or organization that exclusively offers, provides, or arranges for personal care services, and does not refer to the client's home or other location at which services are rendered.

Sec. 19. Minnesota Statutes 2002, section 626.5572, subdivision 13, is amended to read:

Subd. 13. [LEAD AGENCY.] "Lead agency" is the primary administrative agency responsible for investigating reports made under section 626.557.

(a) The department of health is the lead agency for the facilities which are licensed or are required to be licensed as: hospitals, including mental health and chemical dependency treatment programs licensed as hospitals; ICFs/MR; home care providers, including home care services provided in adult foster care settings; nursing homes; residential care homes; or boarding care homes.

(b) The department of human services is the lead agency for the programs licensed or required to be licensed as: adult day care; adult foster care, except services provided in a foster setting by a home health care provider or an unlicensed home care provider; programs for people with developmental disabilities, except ICFs/MR; and mental health programs, and chemical health programs, or personal care provider organizations except programs licensed as a hospital.

(c) The county social service agency or its designee is the lead agency for all other reports.

Sec. 20. [REPEALER.]

Minnesota Rules, parts 9520.0660, subpart 3; 9520.0670, subpart 3; and 9530.4120, subpart 5, are repealed.

Sec. 21. [EFFECTIVE DATE.]

Sections 1 to 20 are effective January 1, 2004.

ARTICLE 6 CORRECTIONS

Section 1. Minnesota Statutes 2002, section 244.05, is amended by adding a subdivision to read:

Subd. 3a. [SANCTIONS FOR VIOLATIONS; INMATES WITH SERIOUS AND PERSISTENT MENTAL ILLNESS.] When an inmate with a serious and persistent mental illness, as defined in section 245.462, subdivision 20, paragraph (c), violates the conditions of the inmate's supervised release and the commissioner intends to revoke the release and reimprison the

inmate, the commissioner, when consistent with public safety, may continue the inmate's supervised release term and require the inmate to successfully complete an appropriate supervised alternative living program having a mental health treatment component.

Sec. 2. [609.1055] [OFFENDERS WITH SERIOUS AND PERSISTENT MENTAL ILLNESS; ALTERNATIVE PLACEMENT.]

When a court intends to commit an offender with a serious and persistent mental illness, as defined in section 245.462, subdivision 20, paragraph (c), to the custody of the commissioner of corrections for imprisonment at a state correctional facility, either when initially pronouncing a sentence or when revoking an offender's probation, the court, when consistent with public safety, may instead place the offender on probation or continue the offender's probation and require as a condition of the probation that the offender successfully complete an appropriate supervised alternative living program having a mental health treatment component. This section applies only to offenders who would have a remaining term of imprisonment after adjusting for credit for prior imprisonment, if any, of more than one year.

Sec. 3. [ALTERNATIVE LIVING PROGRAMS FOR CERTAIN OFFENDERS WITH MENTAL ILLNESS.]

The commissioner of corrections shall cooperate with nonprofit entities to establish supervised alternative living programs for offenders with serious and persistent mental illness, as defined in Minnesota Statutes, section 245.462, subdivision 20, paragraph (c). Each program must be structured to accommodate between eight and 13 offenders who are required to successfully complete the program as a sanction for violating their supervised release or as a condition of probation. Each program must provide a residential component and include mental health treatment and counseling, living and employment skills development, and supported employment. Program directors shall report program violations by participating offenders to the offender's correctional agent.

Sec. 4. [RULE 36, MINNESOTA RULES, PARTS 9520.0500 TO 9520.0690, LICENSURE FOR ALTERNATIVE LIVING PROGRAMS FOR CERTAIN OFFENDERS WITH MENTAL ILLNESS.]

The commissioner of human services shall approve additional Rule 36 licenses in order to accommodate alternative living programs for certain offenders with mental illness if:

- (1) the provider meets applicable licensing standards; and
- (2) additional Rule 36 programs are necessary to meet the demand for alternative living programs for certain offenders with mental illness.

Sec. 5. [FINANCING FOR RULE 36 PROGRAMS FOR ALTERNATIVE LIVING PROGRAMS FOR CERTAIN OFFENDERS WITH MENTAL ILLNESS.]

Applicants for licensure of a Rule 36 program to provide an alternative living program for certain offenders with mental illness must be given special consideration and priority from the Minnesota housing finance agency, as allowed, in order to secure home loans for an alternative living program for certain offenders with mental illness.

ARTICLE 7

PROHIBITED TRANSFERS; LIENS; ESTATE CLAIMS

Section 1. Minnesota Statutes 2002, section 256B.0595, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED TRANSFERS.] (a) For transfers of assets made on or before August 10, 1993, if a person or the person's spouse has given away, sold, or disposed of, for less than fair market value, any asset or interest therein, except assets other than the homestead that are excluded under the supplemental security program, within 30 months before or any time after the date of institutionalization if the person has been determined eligible for medical assistance, or within 30 months before or any time after the date of the first approved application for medical

assistance if the person has not yet been determined eligible for medical assistance, the person is ineligible for long-term care services for the period of time determined under subdivision 2.

(b) Effective for transfers made after August 10, 1993, a person, a person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or person's spouse, may not give away, sell, or dispose of, for less than fair market value, any asset or interest therein, except assets other than the homestead that are excluded under the supplemental security income program, for the purpose of establishing or maintaining medical assistance eligibility. This applies to all transfers, including those made by a community spouse after the month in which the institutionalized spouse is determined eligible for medical assistance. For purposes of determining eligibility for long-term care services, any transfer of such assets within 36 months before or any time after an institutionalized person applies for medical assistance, or 36 months before or any time after a medical assistance recipient becomes institutionalized, for less than fair market value may be considered. Any such transfer is presumed to have been made for the purpose of establishing or maintaining medical assistance eligibility and the person is ineligible for long-term care services for the period of time determined under subdivision 2, unless the person furnishes convincing evidence to establish that the transaction was exclusively for another purpose, or unless the transfer is permitted under subdivision 3 or 4. Notwithstanding the provisions of this paragraph, in the case of payments from a trust or portions of a trust that are considered transfers of assets under federal law, any transfers made within 60 months before or any time after an institutionalized person applies for medical assistance and within 60 months before or any time after a medical assistance recipient becomes institutionalized, may be considered.

(c) This section applies to transfers, for less than fair market value, of income or assets, including assets that are considered income in the month received, such as inheritances, court settlements, and retroactive benefit payments or income to which the person or the person's spouse is entitled but does not receive due to action by the person, the person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or the person's spouse.

(d) This section applies to payments for care or personal services provided by a relative, unless the compensation was stipulated in a notarized, written agreement which was in existence when the service was performed, the care or services directly benefited the person, and the payments made represented reasonable compensation for the care or services provided. A notarized written agreement is not required if payment for the services was made within 60 days after the service was provided.

(e) This section applies to the portion of any asset or interest that a person, a person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or the person's spouse, transfers to any annuity that exceeds the value of the benefit likely to be returned to the person or spouse while alive, based on estimated life expectancy using the life expectancy tables employed by the supplemental security income program to determine the value of an agreement for services for life. The commissioner may adopt rules reducing life expectancies based on the need for long-term care. This section applies to an annuity described in this paragraph purchased on or after March 1, 2002, that:

(1) is not purchased from an insurance company or financial institution that is subject to licensing or regulation by the Minnesota department of commerce or a similar regulatory agency of another state;

(2) does not pay out principal and interest in equal monthly installments; or

(3) does not begin payment at the earliest possible date after annuitization.

(f) For purposes of this section, long-term care services include services in a nursing facility, services that are eligible for payment according to section 256B.0625, subdivision 2, because they are provided in a swing bed, intermediate care facility for persons with mental retardation, and home and community-based services provided pursuant to sections 256B.0915, 256B.092, and

256B.49. For purposes of this subdivision and subdivisions 2, 3, and 4, "institutionalized person" includes a person who is an inpatient in a nursing facility or in a swing bed, or intermediate care facility for persons with mental retardation or who is receiving home and community-based services under sections 256B.0915, 256B.092, and 256B.49.

[EFFECTIVE DATE.] This section is effective July 1, 2003.

Sec. 2. Minnesota Statutes 2002, section 256B.0595, is amended by adding a subdivision to read:

Subd. 1b. **[PROHIBITED TRANSFERS.]** (a) Notwithstanding any contrary provisions of this section, this subdivision applies to transfers involving recipients of medical assistance that are made on or after its effective date and to all transfers involving persons who apply for medical assistance on or after its effective date if the transfer occurred within 72 months before the person applies for medical assistance, except that this subdivision does not apply to transfers made prior to July 1, 2003. A person, a person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or the person's spouse, may not give away, sell, dispose of, or reduce ownership or control of any income, asset, or interest therein for less than fair market value for the purpose of establishing or maintaining medical assistance eligibility. This applies to all transfers, including those made by a community spouse after the month in which the institutionalized spouse is determined eligible for medical assistance. For purposes of determining eligibility for medical assistance services, any transfer of such income or assets for less than fair market value within 72 months before or any time after a person applies for medical assistance may be considered. Any such transfer is presumed to have been made for the purpose of establishing or maintaining medical assistance eligibility, and the person is ineligible for medical assistance services for the period of time determined under subdivision 2b, unless the person furnishes convincing evidence to establish that the transaction was exclusively for another purpose or unless the transfer is permitted under subdivision 3b or 4b.

(b) This section applies to transfers to trusts. The commissioner shall determine valid trust purposes under this section. Assets placed into a trust that is not for a valid purpose shall always be considered available for the purposes of medical assistance eligibility, regardless of when the trust is established.

(c) This section applies to transfers of income or assets for less than fair market value, including assets that are considered income in the month received, such as inheritances, court settlements, and retroactive benefit payments or income to which the person or the person's spouse is entitled but does not receive due to action by the person, the person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or the person's spouse.

(d) This section applies to payments for care or personal services provided by a relative, unless the compensation was stipulated in a notarized written agreement that was in existence when the service was performed, the care or services directly benefited the person, and the payments made represented reasonable compensation for the care or services provided. A notarized written agreement is not required if payment for the services was made within 60 days after the service was provided.

(e) This section applies to the portion of any income, asset, or interest therein that a person, a person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the person or the person's spouse, transfers to any annuity that exceeds the value of the benefit likely to be returned to the person or the person's spouse while alive, based on estimated life expectancy, using the life expectancy tables employed by the supplemental security income program, or based on a shorter life expectancy if the annuitant had a medical condition that would shorten his or her life expectancy and that was diagnosed before funds were placed into the annuity. The agency may request and receive a physician's statement to determine if the annuitant had a diagnosed medical condition that would shorten his or her life expectancy. If so, the agency shall determine the expected value of the benefits based upon the physician's statement instead of using a life expectancy table. This section applies to an annuity described in this paragraph purchased on or after March 1, 2002, that:

(1) is not purchased from an insurance company or financial institution that is subject to licensing or regulation by the Minnesota department of commerce or a similar regulatory agency of another state;

(2) does not pay out principal and interest in equal monthly installments; or

(3) does not begin payment at the earliest possible date after annuitization.

(f) Transfers under this section shall affect determinations of eligibility for all medical assistance services or long-term care services, whichever receives federal approval.

[EFFECTIVE DATE.] (a) This section is effective July 1, 2003, to the extent permitted by federal law. If any provision of this section is prohibited by federal law, the provision shall become effective when federal law is changed to permit its application or a waiver is received. The commissioner of human services shall notify the revisor of statutes when federal law is enacted or a waiver or other federal approval is received and publish a notice in the State Register. The commissioner must include the notice in the first State Register published after the effective date of the federal changes.

(b) If, by July 1, 2003, any provision of this section is not effective because of prohibitions in federal law, the commissioner of human services shall apply to the federal government by August 1, 2003, for a waiver of those prohibitions or other federal authority, and that provision shall become effective upon receipt of a federal waiver or other federal approval, notification to the revisor of statutes, and publication of a notice in the State Register to that effect. In applying for federal approval to extend the lookback period, the commissioner shall seek the longest lookback period the federal government will approve, not to exceed 72 months.

Sec. 3. Minnesota Statutes 2002, section 256B.0595, subdivision 2, is amended to read:

Subd. 2. **[PERIOD OF INELIGIBILITY.]** (a) For any uncompensated transfer occurring on or before August 10, 1993, the number of months of ineligibility for long-term care services shall be the lesser of 30 months, or the uncompensated transfer amount divided by the average medical assistance rate for nursing facility services in the state in effect on the date of application. The amount used to calculate the average medical assistance payment rate shall be adjusted each July 1 to reflect payment rates for the previous calendar year. The period of ineligibility begins with the month in which the assets were transferred. If the transfer was not reported to the local agency at the time of application, and the applicant received long-term care services during what would have been the period of ineligibility if the transfer had been reported, a cause of action exists against the transferee for the cost of long-term care services provided during the period of ineligibility, or for the uncompensated amount of the transfer, whichever is less. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256G. The uncompensated transfer amount is the fair market value of the asset at the time it was given away, sold, or disposed of, less the amount of compensation received.

(b) For uncompensated transfers made after August 10, 1993, the number of months of ineligibility for long-term care services shall be the total uncompensated value of the resources transferred divided by the average medical assistance rate for nursing facility services in the state in effect on the date of application. The amount used to calculate the average medical assistance payment rate shall be adjusted each July 1 to reflect payment rates for the previous calendar year. The period of ineligibility begins with the first day of the month after the month in which the assets were transferred except that if one or more uncompensated transfers are made during a period of ineligibility, the total assets transferred during the ineligibility period shall be combined and a penalty period calculated to begin ~~in~~ on the first day of the month after the month in which the first uncompensated transfer was made. ~~If the transfer was not reported to the local agency at the time of application,~~ and the applicant received medical assistance services during what would have been the period of ineligibility if the transfer had been reported, a cause of action exists against the transferee for the cost of medical assistance services provided during the period of ineligibility, or for the uncompensated amount of the transfer, whichever is less. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256G. The uncompensated transfer amount is the fair market value of the asset at the time

it was given away, sold, or disposed of, less the amount of compensation received. Effective for transfers made on or after March 1, 1996, involving persons who apply for medical assistance on or after April 13, 1996, no cause of action exists for a transfer unless:

(1) the transferee knew or should have known that the transfer was being made by a person who was a resident of a long-term care facility or was receiving that level of care in the community at the time of the transfer;

(2) the transferee knew or should have known that the transfer was being made to assist the person to qualify for or retain medical assistance eligibility; or

(3) the transferee actively solicited the transfer with intent to assist the person to qualify for or retain eligibility for medical assistance.

(c) If a calculation of a penalty period results in a partial month, payments for long-term care services shall be reduced in an amount equal to the fraction, except that in calculating the value of uncompensated transfers, if the total value of all uncompensated transfers made in a month not included in an existing penalty period does not exceed \$200, then such transfers shall be disregarded for each month prior to the month of application for or during receipt of medical assistance.

[EFFECTIVE DATE.] Paragraph (b) of this section is effective July 1, 2003.

Sec. 4. Minnesota Statutes 2002, section 256B.0595, is amended by adding a subdivision to read:

Subd. 2b. [PERIOD OF INELIGIBILITY.] (a) Notwithstanding any contrary provisions of this section, this subdivision applies to transfers, including transfers to trusts, involving recipients of medical assistance that are made on or after its effective date and to all transfers involving persons who apply for medical assistance on or after its effective date, regardless of when the transfer occurred, except that this subdivision does not apply to transfers made prior to July 1, 2003. For any uncompensated transfer occurring within 72 months prior to the date of application, at any time after application, or while eligible, the number of months of cumulative ineligibility for medical assistance services shall be the total uncompensated value of the assets and income transferred divided by the statewide average per-person nursing facility payment made by the state in effect at the time a penalty for a transfer is determined. The amount used to calculate the average per-person nursing facility payment shall be adjusted each July 1 to reflect average payments for the previous calendar year. For applicants, the period of ineligibility begins with the month in which the person applied for medical assistance and satisfied all other requirements for eligibility, or the first month the local agency becomes aware of the transfer and can give proper notice, if later. For recipients, the period of ineligibility begins in the first month after the month the agency becomes aware of the transfer and can give proper notice, except that penalty periods for transfers made during a period of ineligibility as determined under this section shall begin in the month following the existing period of ineligibility. If the transfer was not reported to the local agency, and the applicant received medical assistance services during what would have been the period of ineligibility if the transfer had been reported, a cause of action exists against the transferee for the cost of medical assistance services provided during the period of ineligibility or for the uncompensated amount of the transfer that was not recovered from the transferor through the implementation of a penalty period under this subdivision, whichever is less. Recovery shall include the costs incurred due to the action. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256B. The total uncompensated value is the fair market value of the income or asset at the time it was given away, sold, or disposed of, less the amount of compensation received. No cause of action exists for a transfer unless:

(1) the transferee knew or should have known that the transfer was being made by a person who was a resident of a long-term care facility or was receiving that level of care in the community at the time of the transfer;

(2) the transferee knew or should have known that the transfer was being made to assist the person to qualify for or retain medical assistance eligibility; or

(3) the transferee actively solicited the transfer with intent to assist the person to qualify for or retain eligibility for medical assistance.

(b) If a calculation of a penalty period results in a partial month, payments for medical assistance services shall be reduced in an amount equal to the fraction, except that in calculating the value of uncompensated transfers, if the total value of all uncompensated transfers made in a month not included in an existing penalty period does not exceed \$200, then such transfers shall be disregarded for each month prior to the month of application for or during receipt of medical assistance.

(c) Ineligibility under this section shall apply to medical assistance services or long-term care services, whichever receives federal approval.

[EFFECTIVE DATE.] (a) This section is effective July 1, 2003, to the extent permitted by federal law. If any provision of this section is prohibited by federal law, the provision shall become effective when federal law is changed to permit its application or a waiver is received. The commissioner of human services shall notify the revisor of statutes when federal law is enacted or a waiver or other federal approval is received and publish a notice in the State Register. The commissioner must include the notice in the first State Register published after the effective date of the federal changes.

(b) If, by July 1, 2003, any provision of this section is not effective because of prohibitions in federal law, the commissioner of human services shall apply to the federal government by August 1, 2003, for a waiver of those prohibitions or other federal authority, and that provision shall become effective upon receipt of a federal waiver or other federal approval, notification to the revisor of statutes, and publication of a notice in the State Register to that effect. In applying for federal approval to extend the lookback period, the commissioner shall seek the longest lookback period the federal government will approve, not to exceed 72 months.

Sec. 5. Minnesota Statutes 2002, section 256B.0595, is amended by adding a subdivision to read:

Subd. 3b. **[HOMESTEAD EXCEPTION TO TRANSFER PROHIBITION.]** (a) This subdivision applies to transfers involving recipients of medical assistance that are made on or after its effective date and to all transfers involving persons who apply for medical assistance on or after its effective date, regardless of when the transfer occurred, except that this subdivision does not apply to transfers made prior to July 1, 2003. A person is not ineligible for medical assistance services due to a transfer of assets for less than fair market value as described in subdivision 1b, if the asset transferred was a homestead, and:

(1) a satisfactory showing is made that the individual intended to dispose of the homestead at fair market value or for other valuable consideration; or

(2) the local agency grants a waiver of a penalty resulting from a transfer for less than fair market value because denial of eligibility would cause undue hardship for the individual and there exists an imminent threat to the individual's health and well-being. Whenever an applicant or recipient is denied eligibility because of a transfer for less than fair market value, the local agency shall notify the applicant or recipient that the applicant or recipient may request a waiver of the penalty if the denial of eligibility will cause undue hardship. In evaluating a waiver, the local agency shall take into account whether the individual was the victim of financial exploitation, whether the individual has made reasonable efforts to recover the transferred property or resource, and other factors relevant to a determination of hardship. If the local agency does not approve a hardship waiver, the local agency shall issue a written notice to the individual stating the reasons for the denial and the process for appealing the local agency's decision.

(b) When a waiver is granted under paragraph (a), clause (2), a cause of action exists against the person to whom the homestead was transferred for that portion of medical assistance services granted within 72 months of the date the transferor applied for medical assistance and satisfied all other requirements for eligibility or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action shall be brought by the state unless

the state delegates this responsibility to the local agency responsible for providing medical assistance under chapter 256B.

[EFFECTIVE DATE.] (a) This section is effective July 1, 2003, to the extent permitted by federal law. If any provision of this section is prohibited by federal law, the provision shall become effective when federal law is changed to permit its application or a waiver is received. The commissioner of human services shall notify the revisor of statutes when federal law is enacted or a waiver or other federal approval is received and publish a notice in the State Register. The commissioner must include the notice in the first State Register published after the effective date of the federal changes.

(b) If, by July 1, 2003, any provision of this section is not effective because of prohibitions in federal law, the commissioner of human services shall apply to the federal government by August 1, 2003, for a waiver of those prohibitions or other federal authority, and that provision shall become effective upon receipt of a federal waiver or other federal approval, notification to the revisor of statutes, and publication of a notice in the State Register to that effect. In applying for federal approval to extend the lookback period, the commissioner shall seek the longest lookback period the federal government will approve, not to exceed 72 months.

Sec. 6. Minnesota Statutes 2002, section 256B.0595, is amended by adding a subdivision to read:

Subd. 4b. **[OTHER EXCEPTIONS TO TRANSFER PROHIBITION.]** This subdivision applies to transfers involving recipients of medical assistance that are made on or after its effective date and to all transfers involving persons who apply for medical assistance on or after its effective date regardless of when the transfer occurred, except that this subdivision does not apply to transfers made prior to July 1, 2003. A person or a person's spouse who made a transfer prohibited by subdivision 1b is not ineligible for medical assistance services if one of the following conditions applies:

(1) the assets or income were transferred to the individual's spouse or to another for the sole benefit of the spouse, except that after eligibility is established and the assets have been divided between the spouses as part of the asset allowance under section 256B.059, no further transfers between spouses may be made;

(2) the institutionalized spouse, prior to being institutionalized, transferred assets or income to a spouse, provided that the spouse to whom the assets or income were transferred does not then transfer those assets or income to another person for less than fair market value. At the time when one spouse is institutionalized, assets must be allocated between the spouses as provided under section 256B.059;

(3) the assets or income were transferred to a trust for the sole benefit of the individual's child who is blind or permanently and totally disabled as determined in the supplemental security income program and the trust reverts to the state upon the disabled child's death to the extent the medical assistance has paid for services for the grantor or beneficiary of the trust. This clause applies to a trust established after the commissioner publishes a notice in the State Register that the commissioner has been authorized to implement this clause due to a change in federal law or the approval of a federal waiver;

(4) a satisfactory showing is made that the individual intended to dispose of the assets or income either at fair market value or for other valuable consideration; or

(5) the local agency determines that denial of eligibility for medical assistance services would cause undue hardship and grants a waiver of a penalty resulting from a transfer for less than fair market value because there exists an imminent threat to the individual's health and well-being. Whenever an applicant or recipient is denied eligibility because of a transfer for less than fair market value, the local agency shall notify the applicant or recipient that the applicant or recipient may request a waiver of the penalty if the denial of eligibility will cause undue hardship. In evaluating a waiver, the local agency shall take into account whether the individual was the victim of financial exploitation, whether the individual has made reasonable efforts to recover the

transferred property or resource, and other factors relevant to a determination of hardship. If the local agency does not approve a hardship waiver, the local agency shall issue a written notice to the individual stating the reasons for the denial and the process for appealing the local agency's decision. When a waiver is granted, a cause of action exists against the person to whom the assets were transferred for that portion of medical assistance services granted within 72 months of the date the transferor applied for medical assistance and satisfied all other requirements for eligibility, or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action shall be brought by the state unless the state delegates this responsibility to the local agency responsible for providing medical assistance under this chapter.

[EFFECTIVE DATE.] (a) This section is effective July 1, 2003, to the extent permitted by federal law. If any provision of this section is prohibited by federal law, the provision shall become effective when federal law is changed to permit its application or a waiver is received. The commissioner of human services shall notify the revisor of statutes when federal law is enacted or a waiver or other federal approval is received and publish a notice in the State Register. The commissioner must include the notice in the first State Register published after the effective date of the federal changes.

(b) If, by July 1, 2003, any provision of this section is not effective because of prohibitions in federal law, the commissioner of human services shall apply to the federal government by August 1, 2003, for a waiver of those prohibitions or other federal authority, and that provision shall become effective upon receipt of a federal waiver or other federal approval, notification to the revisor of statutes, and publication of a notice in the State Register to that effect. In applying for federal approval to extend the lookback period, the commissioner shall seek the longest lookback period the federal government will approve, not to exceed 72 months.

Sec. 7. Minnesota Statutes 2002, section 256B.15, subdivision 1, is amended to read:

Subdivision 1. **[POLICY, APPLICABILITY, PURPOSE, AND CONSTRUCTION; DEFINITION.]** (a) It is the policy of this state that individuals or couples, either or both of whom participate in the medical assistance program, use their own assets to pay their share of the total cost of their care during or after their enrollment in the program according to applicable federal law and the laws of this state. The following provisions apply:

(1) subdivisions 1c to 1k shall not apply to claims arising under this section which are presented under section 525.313;

(2) the provisions of subdivisions 1c to 1k expanding the interests included in an estate for purposes of recovery under this section give effect to the provisions of United States Code, title 42, section 1396p, governing recoveries, but do not give rise to any express or implied liens in favor of any other parties not named in these provisions;

(3) the continuation of a recipient's life estate or joint tenancy interest in real property after the recipient's death for the purpose of recovering medical assistance under this section modifies common law principles holding that these interests terminate on the death of the holder;

(4) all laws, rules, and regulations governing or involved with a recovery of medical assistance shall be liberally construed to accomplish their intended purposes; and

(5) a deceased recipient's life estate and joint tenancy interests continued under this section shall be owned by the remaindermen or surviving joint tenants as their interests may appear on the date of the recipient's death. They shall not be merged into the remainder interest or the interests of the surviving joint tenants by reason of ownership. They shall be subject to the provisions of this section. Any conveyance, transfer, sale, assignment, or encumbrance by a remainderman, a surviving joint tenant, or their heirs, successors, and assigns shall be deemed to include all of their interest in the deceased recipient's life estate or joint tenancy interest continued under this section.

(b) For purposes of this section, "medical assistance" includes the medical assistance program under this chapter and the general assistance medical care program under chapter 256D, but does not include and the alternative care program for nonmedical assistance recipients under section 256B.0913, subdivision 4.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to estates of decedents who die on or after that date.

Sec. 8. Minnesota Statutes 2002, section 256B.15, subdivision 1a, is amended to read:

Subd. 1a. [ESTATES SUBJECT TO CLAIMS.] If a person receives any medical assistance hereunder, on the person's death, if single, or on the death of the survivor of a married couple, either or both of whom received medical assistance, or as otherwise provided for in this section, the total amount paid for medical assistance rendered for the person and spouse shall be filed as a claim against the estate of the person or the estate of the surviving spouse in the court having jurisdiction to probate the estate or to issue a decree of descent according to sections 525.31 to 525.313.

A claim shall be filed if medical assistance was rendered for either or both persons under one of the following circumstances:

(a) the person was over 55 years of age, and received services under this chapter, ~~excluding alternative care;~~

(b) the person resided in a medical institution for six months or longer, received services under this chapter ~~excluding alternative care,~~ and, at the time of institutionalization or application for medical assistance, whichever is later, the person could not have reasonably been expected to be discharged and returned home, as certified in writing by the person's treating physician. For purposes of this section only, a "medical institution" means a skilled nursing facility, intermediate care facility, intermediate care facility for persons with mental retardation, nursing facility, or inpatient hospital; or

(c) the person received general assistance medical care services under chapter 256D.

The claim shall be considered an expense of the last illness of the decedent for the purpose of section 524.3-805. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. Notice of the claim shall be given to all heirs and devisees of the decedent whose identity can be ascertained with reasonable diligence. The notice must include procedures and instructions for making an application for a hardship waiver under subdivision 5; time frames for submitting an application and determination; and information regarding appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of medical assistance collections from estates that are directly attributable to county effort. Counties are entitled to ten percent of the collections for alternative care directly attributable to county effort.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to the estates of decedents who die on and after that date.

Sec. 9. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1c. [NOTICE OF POTENTIAL CLAIM.] (a) A state agency with a claim or potential claim under this section may file a notice of potential claim under this subdivision anytime before or within one year after a medical assistance recipient dies. The claimant shall be the state agency. A notice filed prior to the recipient's death shall not take effect and shall not be effective as notice until the recipient dies. A notice filed after a recipient dies shall be effective from the time of filing.

(b) The notice of claim shall be filed or recorded in the real estate records in the office of the county recorder or registrar of titles for each county in which any part of the property is located. The recorder shall accept the notice for recording or filing. The registrar of titles shall accept the notice for filing if the recipient has a recorded interest in the property. The registrar of titles shall not carry forward to a new certificate of title any notice filed more than one year from the date of the recipient's death.

(c) The notice must be dated, state the name of the claimant, the medical assistance recipient's

name and social security number if filed before their death and their date of death if filed after they die, the name and date of death of any predeceased spouse of the medical assistance recipient for whom a claim may exist, a statement that the claimant may have a claim arising under this section, generally identify the recipient's interest in the property, contain a legal description for the property and whether it is abstract or registered property, a statement of when the notice becomes effective and the effect of the notice, be signed by an authorized representative of the state agency, and may include such other contents as the state agency may deem appropriate.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 10. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1d. [EFFECT OF NOTICE.] From the time it takes effect, the notice shall be notice to remaindermen, joint tenants, or to anyone else owning or acquiring an interest in or encumbrance against the property described in the notice that the medical assistance recipient's life estate, joint tenancy, or other interests in the real estate described in the notice:

(1) shall, in the case of life estate and joint tenancy interests, continue to exist for purposes of this section, and be subject to liens and claims as provided in this section;

(2) shall be subject to a lien in favor of the claimant effective upon the death of the recipient and dealt with as provided in this section;

(3) may be included in the recipient's estate, as defined in this section; and

(4) may be subject to administration and all other provisions of chapter 524 and may be sold, assigned, transferred, or encumbered free and clear of their interest or encumbrance to satisfy claims under this section.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 11. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1e. [FULL OR PARTIAL RELEASE OF NOTICE.] (a) The claimant may fully or partially release the notice and the lien arising out of the notice of record in the real estate records where the notice is filed or recorded at any time. The claimant may give a full or partial release to extinguish any life estates or joint tenancy interests which are or may be continued under this section or whose existence or nonexistence may create a cloud on the title to real property at any time whether or not a notice has been filed. The recorder or registrar of titles shall accept the release for recording or filing. If the release is a partial release, it must include a legal description of the property being released.

(b) At any time, the claimant may, at the claimant's discretion, wholly or partially release, subordinate, modify, or amend the recorded notice and the lien arising out of the notice.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 12. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1f. [AGENCY LIEN.] (a) The notice shall constitute a lien in favor of the department of human services against the recipient's interests in the real estate it describes for a period of 20 years from the date of filing or the date of the recipient's death, whichever is later. Notwithstanding any law or rule to the contrary, a recipient's life estate and joint tenancy interests shall not end upon the recipient's death but shall continue according to subdivisions 1h, 1i, and 1j. The amount of the lien shall be equal to the total amount of the claims that could be presented in the recipient's estate under this section.

(b) If no estate has been opened for the deceased recipient, any holder of an interest in the

property may apply to the lienholder for a statement of the amount of the lien or for a full or partial release of the lien. The application shall include the applicant's name, current mailing address, current home and work telephone numbers, and a description of their interest in the property, a legal description of the recipient's interest in the property, and the deceased recipient's name, date of birth, and social security number. The lienholder shall send the applicant by certified mail, return receipt requested, a written statement showing the amount of the lien, whether the lienholder is willing to release the lien and under what conditions, and inform them of the right to a hearing under section 256.045. The lienholder shall have the discretion to compromise and settle the lien upon any terms and conditions the lienholder deems appropriate.

(c) Any holder of an interest in property subject to the lien has a right to request a hearing under section 256.045 to determine the validity, extent, or amount of the lien. The request must be in writing, and must include the names, current addresses, and home and business telephone numbers for all other parties holding an interest in the property. A request for a hearing by any holder of an interest in the property shall be deemed to be a request for a hearing by all parties owning interests in the property. Notice of the hearing shall be given to the lien holder, the party filing the appeal, and all of the other holders of interests in the property at the addresses listed in the appeal by certified mail, return receipt requested, or by ordinary mail. Any owner of an interest in the property to whom notice of the hearing is mailed shall be deemed to have waived any and all claims or defenses in respect to the lien unless they appear and assert any claims or defenses at the hearing.

(d) If the claim the lien secures could be filed under subdivision 1h, the lienholder may collect, compromise, settle, or release the lien upon any terms and conditions it deems appropriate. If the claim the lien secures could be filed under subdivision 1i or 1j, the lien may be adjusted or enforced to the same extent had it been filed under subdivisions 1i and 1j, and the provisions of subdivisions 1i, clause (f), and 1j, clause (d), shall apply to voluntary payment, settlement, or satisfaction of the lien.

(e) If no probate proceedings have been commenced for the recipient as of the date the lienholder executes a release of the lien on a recipient's life estate or joint tenancy interest, created for purposes of this section, the release shall terminate the life estate or joint tenancy interest created under this section as of the date it is recorded or filed to the extent of the release. If the claimant executes a release for purposes of extinguishing a life estate or a joint tenancy interest created under this section to remove a cloud on title to real property, the release shall have the effect of extinguishing any life estate or joint tenancy interests in the property it describes which may have been continued by reason of this section retroactive to the date of death of the deceased life tenant or joint tenant except as provided for in section 514.981, subdivision 6.

(f) If the deceased recipient's estate is probated, a claim shall be filed under this section. The amount of the lien shall be limited to the amount of the claim as finally allowed. If the claim the lien secures is filed under subdivision 1h, the lien may be released in full after any allowance of the claim becomes final or according to any agreement to settle and satisfy the claim. The release shall release the lien but shall not extinguish or terminate the interest being released. If the claim the lien secures is filed under subdivision 1i or 1j, the lien shall be released after the lien under subdivision 1i or 1j is filed or recorded, or settled according to any agreement to settle and satisfy the claim. The release shall not extinguish or terminate the interest being released. If the claim is finally disallowed in full, the claimant shall release the claimant's lien at the claimant's expense.

[EFFECTIVE DATE.] This section takes effect on August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 13. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1g. [ESTATE PROPERTY.] Notwithstanding any law or rule to the contrary, if a claim is presented under this section, interests or the proceeds of interests in real property a decedent owned as a life tenant or a joint tenant with a right of survivorship shall be part of the decedent's estate, subject to administration, and shall be dealt with as provided in this section.

[EFFECTIVE DATE.] This section takes effect on August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 14. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1h. [ESTATES OF SPECIFIC PERSONS RECEIVING MEDICAL ASSISTANCE.] (a) For purposes of this section, paragraphs (b) to (k) apply if a person received medical assistance for which a claim may be filed under this section and died single, or the surviving spouse of the couple and was not survived by any of the persons described in subdivisions 3 and 4.

(b) For purposes of this section, the person's estate consists of: (1) their probate estate; (2) all of the person's interests or proceeds of those interests in real property the person owned as a life tenant or as a joint tenant with a right of survivorship at the time of the person's death; (3) all of the person's interests or proceeds of those interests in securities the person owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time of the person's death, to the extent they become part of the probate estate under section 524.6-307; and (4) all of the person's interests in joint accounts, multiple party accounts, and pay on death accounts, or the proceeds of those accounts, as provided under sections 524.6-201 to 524.6-214 at the time of the person's death to the extent they become part of the probate estate under section 524.6-207. Notwithstanding any law or rule to the contrary, a state or county agency with a claim under this section shall be a creditor under section 524.6-307.

(c) Notwithstanding any law or rule to the contrary, the person's life estate or joint tenancy interest in real property not subject to a medical assistance lien under sections 514.980 to 514.985 on the date of the person's death shall not end upon the person's death and shall continue as provided in this subdivision. The life estate in the person's estate shall be that portion of the interest in the real property subject to the life estate that is equal to the life estate percentage factor for the life estate as listed in the Life Estate Mortality Table of the health care program's manual for a person who was the age of the medical assistance recipient on the date of the person's death. The joint tenancy interest in real property in the estate shall be equal to the fractional interest the person would have owned in the jointly held interest in the property had they and the other owners held title to the property as tenants in common on the date the person died.

(d) The court upon its own motion, or upon motion by the personal representative or any interested party, may enter an order directing the remaindermen or surviving joint tenants and their spouses, if any, to sign all documents, take all actions, and otherwise fully cooperate with the personal representative and the court to liquidate the decedent's life estate or joint tenancy interests in the estate and deliver the cash or the proceeds of those interests to the personal representative and provide for any legal and equitable sanctions as the court deems appropriate to enforce and carry out the order, including an award of reasonable attorney fees.

(e) The personal representative may make, execute, and deliver any conveyances or other documents necessary to convey the decedent's life estate or joint tenancy interest in the estate that are necessary to liquidate and reduce to cash the decedent's interest or for any other purposes.

(f) Subject to administration, all costs, including reasonable attorney fees, directly and immediately related to liquidating the decedent's life estate or joint tenancy interest in the decedent's estate, shall be paid from the gross proceeds of the liquidation allocable to the decedent's interest and the net proceeds shall be turned over to the personal representative and applied to payment of the claim presented under this section.

(g) The personal representative shall bring a motion in the district court in which the estate is being probated to compel the remaindermen or surviving joint tenants to account for and deliver to the personal representative all or any part of the proceeds of any sale, mortgage, transfer, conveyance, or any disposition of real property allocable to the decedent's life estate or joint tenancy interest in the decedent's estate, and do everything necessary to liquidate and reduce to cash the decedent's interest and turn the proceeds of the sale or other disposition over to the personal representative. The court may grant any legal or equitable relief including, but not limited to, ordering a partition of real estate under chapter 558 necessary to make the value of the decedent's life estate or joint tenancy interest available to the estate for payment of a claim under this section.

(h) Subject to administration, the personal representative shall use all of the cash or proceeds of

interests to pay an allowable claim under this section. The remaindermen or surviving joint tenants and their spouses, if any, may enter into a written agreement with the personal representative or the claimant to settle and satisfy obligations imposed at any time before or after a claim is filed.

(i) The personal representative may provide any or all of the other owners, remaindermen, or surviving joint tenants with an affidavit terminating the decedent's estate's interest in real property the decedent owned as a life tenant or as a joint tenant with others, if the personal representative determines that neither the decedent nor any of the decedent's predeceased spouses received any medical assistance for which a claim could be filed under this section, or if the personal representative has filed an affidavit with the court that the estate has other assets sufficient to pay a claim, as presented, or if there is a written agreement under paragraph (h), or if the claim, as allowed, has been paid in full or to the full extent of the assets the estate has available to pay it. The affidavit may be recorded in the office of the county recorder or filed in the office of the registrar of titles for the county in which the real property is located. Except as provided in section 514.981, subdivision 6, when recorded or filed, the affidavit shall terminate the decedent's interest in real estate the decedent owned as a life tenant or a joint tenant with others. The affidavit shall: (1) be signed by the personal representative; (2) identify the decedent and the interest being terminated; (3) give recording information sufficient to identify the instrument that created the interest in real property being terminated; (4) legally describe the affected real property; (5) state that the personal representative has determined that neither the decedent nor any of the decedent's predeceased spouses received any medical assistance for which a claim could be filed under this section; (6) state that the decedent's estate has other assets sufficient to pay the claim, as presented, or that there is a written agreement between the personal representative and the claimant and the other owners or remaindermen or other joint tenants to satisfy the obligations imposed under this subdivision; and (7) state that the affidavit is being given to terminate the estate's interest under this subdivision, and any other contents as may be appropriate.

The recorder or registrar of titles shall accept the affidavit for recording or filing. The affidavit shall be effective as provided in this section and shall constitute notice even if it does not include recording information sufficient to identify the instrument creating the interest it terminates. The affidavit shall be conclusive evidence of the stated facts.

(j) The holder of a lien arising under subdivision 1c shall release the lien at the holder's expense against an interest terminated under paragraph (h) to the extent of the termination.

(k) If a lien arising under subdivision 1c is not released under paragraph (j), prior to closing the estate, the personal representative shall deed the interest subject to the lien to the remaindermen or surviving joint tenants as their interests may appear. Upon recording or filing, the deed shall work a merger of the recipient's life estate or joint tenancy interest, subject to the lien, into the remainder interest or interest the decedent and others owned jointly. The lien shall attach to and run with the property to the extent of the decedent's interest at the time of the decedent's death.

[EFFECTIVE DATE.] This section takes effect on August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 15. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1i. [ESTATES OF PERSONS RECEIVING MEDICAL ASSISTANCE AND SURVIVED BY OTHERS.] (a) For purposes of this subdivision, the person's estate consists of the person's probate estate and all of the person's interests in real property the person owned as a life tenant or a joint tenant at the time of the person's death.

(b) Notwithstanding any law or rule to the contrary, this subdivision applies if a person received medical assistance for which a claim could be filed under this section but for the fact the person was survived by a spouse or by a person listed in subdivision 3, or if subdivision 4 applies to a claim arising under this section.

(c) The person's life estate or joint tenancy interests in real property not subject to a medical assistance lien under sections 514.980 to 514.985 on the date of the person's death shall not end upon death and shall continue as provided in this subdivision. The life estate in the estate shall be

the portion of the interest in the property subject to the life estate that is equal to the life estate percentage factor for the life estate as listed in the Life Estate Mortality Table of the health care program's manual for a person who was the age of the medical assistance recipient on the date of the person's death. The joint tenancy interest in the estate shall be equal to the fractional interest the medical assistance recipient would have owned in the jointly held interest in the property had they and the other owners held title to the property as tenants in common on the date the medical assistance recipient died.

(d) The county agency shall file a claim in the estate under this section on behalf of the claimant who shall be the commissioner of human services, notwithstanding that the decedent is survived by a spouse or a person listed in subdivision 3. The claim, as allowed, shall not be paid by the estate and shall be disposed of as provided in this paragraph. The personal representative or the court shall make, execute, and deliver a lien in favor of the claimant on the decedent's interest in real property in the estate in the amount of the allowed claim on forms provided by the commissioner to the county agency filing the lien. The lien shall bear interest as provided under section 524.3-806, shall attach to the property it describes upon filing or recording, and shall remain a lien on the real property it describes for a period of 20 years from the date it is filed or recorded. The lien shall be a disposition of the claim sufficient to permit the estate to close.

(e) The state or county agency shall file or record the lien in the office of the county recorder or registrar of titles for each county in which any of the real property is located. The recorder or registrar of titles shall accept the lien for filing or recording. All recording or filing fees shall be paid by the department of human services. The recorder or registrar of titles shall mail the recorded lien to the department of human services. The lien need not be attested, certified, or acknowledged as a condition of recording or filing. Upon recording or filing of a lien against a life estate or a joint tenancy interest, the interest subject to the lien shall merge into the remainder interest or the interest the recipient and others owned jointly. The lien shall attach to and run with the property to the extent of the decedent's interest in the property at the time of the decedent's death as determined under this section.

(f) The department shall make no adjustment or recovery under the lien until after the decedent's spouse, if any, has died, and only at a time when the decedent has no surviving child described in subdivision 3. The estate, any owner of an interest in the property which is or may be subject to the lien, or any other interested party, may voluntarily pay off, settle, or otherwise satisfy the claim secured or to be secured by the lien at any time before or after the lien is filed or recorded. Such payoffs, settlements, and satisfactions shall be deemed to be voluntary repayments of past medical assistance payments for the benefit of the deceased recipient, and neither the process of settling the claim, the payment of the claim, or the acceptance of a payment shall constitute an adjustment or recovery that is prohibited under this subdivision.

(g) The lien under this subdivision may be enforced or foreclosed in the manner provided by law for the enforcement of judgment liens against real estate or by a foreclosure by action under chapter 581. When the lien is paid, satisfied, or otherwise discharged, the state or county agency shall prepare and file a release of lien at its own expense. No action to foreclose the lien shall be commenced unless the lienholder has first given 30 days' prior written notice to pay the lien to the owners and parties in possession of the property subject to the lien. The notice shall: (1) include the name, address, and telephone number of the lienholder; (2) describe the lien; (3) give the amount of the lien; (4) inform the owner or party in possession that payment of the lien in full must be made to the lienholder within 30 days after service of the notice or the lienholder may begin proceedings to foreclose the lien; and (5) be served by personal service, certified mail, return receipt requested, ordinary first class mail, or by publishing it once in a newspaper of general circulation in the county in which any part of the property is located. Service of the notice shall be complete upon mailing or publication.

[EFFECTIVE DATE.] This section takes effect August 1, 2003, and applies to estates of decedents who die on and after that date.

Sec. 16. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1j. [CLAIMS IN ESTATES OF DECEDENTS SURVIVED BY OTHER

SURVIVORS.] For purposes of this subdivision, the provisions in subdivision 1i, paragraphs (a) to (c) apply.

(a) If payment of a claim filed under this section is limited as provided in subdivision 4, and if the estate does not have other assets sufficient to pay the claim in full, as allowed, the personal representative or the court shall make, execute, and deliver a lien on the property in the estate that is exempt from the claim under subdivision 4 in favor of the commissioner of human services on forms provided by the commissioner to the county agency filing the claim. If the estate pays a claim filed under this section in full from other assets of the estate, no lien shall be filed against the property described in subdivision 4.

(b) The lien shall be in an amount equal to the unpaid balance of the allowed claim under this section remaining after the estate has applied all other available assets of the estate to pay the claim. The property exempt under subdivision 4 shall not be sold, assigned, transferred, conveyed, encumbered, or distributed until after the personal representative has determined the estate has other assets sufficient to pay the allowed claim in full, or until after the lien has been filed or recorded. The lien shall bear interest as provided under section 524.3-806, shall attach to the property it describes upon filing or recording, and shall remain a lien on the real property it describes for a period of 20 years from the date it is filed or recorded. The lien shall be a disposition of the claim sufficient to permit the estate to close.

(c) The state or county agency shall file or record the lien in the office of the county recorder or registrar of titles in each county in which any of the real property is located. The department shall pay the filing fees. The lien need not be attested, certified, or acknowledged as a condition of recording or filing. The recorder or registrar of titles shall accept the lien for filing or recording.

(d) The commissioner shall make no adjustment or recovery under the lien until none of the persons listed in subdivision 4 are residing on the property or until the property is sold or transferred. The estate or any owner of an interest in the property that is or may be subject to the lien, or any other interested party, may voluntarily pay off, settle, or otherwise satisfy the claim secured or to be secured by the lien at any time before or after the lien is filed or recorded. The payoffs, settlements, and satisfactions shall be deemed to be voluntary repayments of past medical assistance payments for the benefit of the deceased recipient and neither the process of settling the claim, the payment of the claim, or acceptance of a payment shall constitute an adjustment or recovery that is prohibited under this subdivision.

(e) A lien under this subdivision may be enforced or foreclosed in the manner provided for by law for the enforcement of judgment liens against real estate or by a foreclosure by action under chapter 581. When the lien has been paid, satisfied, or otherwise discharged, the claimant shall prepare and file a release of lien at the claimant's expense. No action to foreclose the lien shall be commenced unless the lienholder has first given 30 days prior written notice to pay the lien to the record owners of the property and the parties in possession of the property subject to the lien. The notice shall: (1) include the name, address, and telephone number of the lienholder; (2) describe the lien; (3) give the amount of the lien; (4) inform the owner or party in possession that payment of the lien in full must be made to the lienholder within 30 days after service of the notice or the lienholder may begin proceedings to foreclose the lien; and (5) be served by personal service, certified mail, return receipt requested, ordinary first class mail, or by publishing it once in a newspaper of general circulation in the county in which any part of the property is located. Service shall be complete upon mailing or publication.

(f) Upon filing or recording of a lien against a life estate or joint tenancy interest under this subdivision, the interest subject to the lien shall merge into the remainder interest or the interest the decedent and others owned jointly, effective on the date of recording and filing. The lien shall attach to and run with the property to the extent of the decedent's interest in the property at the time of the decedent's death as determined under this section.

(g)(1) An affidavit may be provided by a personal representative stating the personal representative has determined in good faith that a decedent survived by a spouse or a person listed in subdivision 3, or by a person listed in subdivision 4, or the decedent's predeceased spouse did not receive any medical assistance giving rise to a claim under this section, or that the real property described in subdivision 4 is not needed to pay in full a claim arising under this section.

(2) The affidavit shall: (i) describe the property and the interest being extinguished; (ii) name the decedent and give the date of death; (iii) state the facts listed in clause (1); (iv) state that the affidavit is being filed to terminate the life estate or joint tenancy interest created under this subdivision; (v) be signed by the personal representative; and (vi) contain any other information that the affiant deems appropriate.

(3) Except as provided in section 514.981, subdivision 6, when the affidavit is filed or recorded, the life estate or joint tenancy interest in real property that the affidavit describes shall be terminated effective as of the date of filing or recording. The termination shall be final and may not be set aside for any reason.

[EFFECTIVE DATE.] This section takes effect on August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 17. Minnesota Statutes 2002, section 256B.15, is amended by adding a subdivision to read:

Subd. 1k. [FILING.] Any notice, lien, release, or other document filed under subdivisions 1c to 1l, and any lien, release of lien, or other documents relating to a lien filed under subdivisions 1h, 1i, and 1j must be filed or recorded in the office of the county recorder or registrar of titles, as appropriate, in the county where the affected real property is located. Notwithstanding section 386.77, the state or county agency shall pay any applicable filing fee. An attestation, certification, or acknowledgment is not required as a condition of filing. If the property described in the filing is registered property, the registrar of titles shall record the filing on the certificate of title for each parcel of property described in the filing. If the property described in the filing is abstract property, the recorder shall file and index the property in the county's grantor-grantee indexes and any tract indexes the county maintains for each parcel of property described in the filing. The recorder or registrar of titles shall return the filed document to the party filing it at no cost. If the party making the filing provides a duplicate copy of the filing, the recorder or registrar of titles shall show the recording or filing data on the copy and return it to the party at no extra cost.

[EFFECTIVE DATE.] This section takes effect on August 1, 2003, and applies to the estates of decedents who die on or after that date.

Sec. 18. Minnesota Statutes 2002, section 256B.15, subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS ON CLAIMS.] The claim shall include only the total amount of medical assistance rendered after age 55 or during a period of institutionalization described in subdivision 1a, clause (b), and the total amount of general assistance medical care rendered, and shall not include interest. Claims that have been allowed but not paid shall bear interest according to section 524.3-806, paragraph (d). A claim against the estate of a surviving spouse who did not receive medical assistance, for medical assistance rendered for the predeceased spouse, is limited to the value of the assets of the estate that were marital property or jointly owned property at any time during the marriage. Claims for alternative care shall be net of all premiums paid under section 256B.0913, subdivision 12, on or after July 1, 2003, and shall be limited to services provided on or after July 1, 2003.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for decedents dying on or after that date.

Sec. 19. Minnesota Statutes 2002, section 256B.15, subdivision 3, is amended to read:

Subd. 3. [SURVIVING SPOUSE, MINOR, BLIND, OR DISABLED CHILDREN.] If a decedent who is survived by a spouse, or was single, or who was the surviving spouse of a married couple, and is survived by a child who is under age 21 or blind or permanently and totally disabled according to the supplemental security income program criteria, no claim shall be filed against the estate according to this section.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to decedents who die on or after that date.

Sec. 20. Minnesota Statutes 2002, section 256B.15, subdivision 4, is amended to read:

Subd. 4. [OTHER SURVIVORS.] If the decedent who was single or the surviving spouse of a married couple is survived by one of the following persons, a claim exists against the estate in an amount not to exceed the value of the nonhomestead property included in the estate and the personal representative shall make, execute, and deliver to the county agency a lien against the homestead property in the estate for any unpaid balance of the claim to the claimant as provided under this section:

(a) a sibling who resided in the decedent medical assistance recipient's home at least one year before the decedent's institutionalization and continuously since the date of institutionalization; or

(b) a son or daughter or a grandchild who resided in the decedent medical assistance recipient's home for at least two years immediately before the parent's or grandparent's institutionalization and continuously since the date of institutionalization, and who establishes by a preponderance of the evidence having provided care to the parent or grandparent who received medical assistance, that the care was provided before institutionalization, and that the care permitted the parent or grandparent to reside at home rather than in an institution.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to decedents who die on or after that date.

Sec. 21. Minnesota Statutes 2002, section 514.981, subdivision 6, is amended to read:

Subd. 6. [TIME LIMITS; CLAIM LIMITS; LIENS ON LIFE ESTATES AND JOINT TENANCIES.] (a) A medical assistance lien is a lien on the real property it describes for a period of ten years from the date it attaches according to section 514.981, subdivision 2, paragraph (a), except as otherwise provided for in sections 514.980 to 514.985. The agency may renew a medical assistance lien for an additional ten years from the date it would otherwise expire by recording or filing a certificate of renewal before the lien expires. The certificate shall be recorded or filed in the office of the county recorder or registrar of titles for the county in which the lien is recorded or filed. The certificate must refer to the recording or filing data for the medical assistance lien it renews. The certificate need not be attested, certified, or acknowledged as a condition for recording or filing. The registrar of titles or the recorder shall file, record, index, and return the certificate of renewal in the same manner as provided for medical assistance liens in section 514.982, subdivision 2.

(b) A medical assistance lien is not enforceable against the real property of an estate to the extent there is a determination by a court of competent jurisdiction, or by an officer of the court designated for that purpose, that there are insufficient assets in the estate to satisfy the agency's medical assistance lien in whole or in part because of the homestead exemption under section 256B.15, subdivision 4, the rights of the surviving spouse or minor children under section 524.2-403, paragraphs (a) and (b), or claims with a priority under section 524.3-805, paragraph (a), clauses (1) to (4). For purposes of this section, the rights of the decedent's adult children to exempt property under section 524.2-403, paragraph (b), shall not be considered costs of administration under section 524.3-805, paragraph (a), clause (1).

(c) Notwithstanding any law or rule to the contrary, the provisions in clauses (1) to (7) apply if a life estate subject to a medical assistance lien ends according to its terms, or if a medical assistance recipient who owns a life estate or any interest in real property as a joint tenant that is subject to a medical assistance lien dies.

(1) The medical assistance recipient's life estate or joint tenancy interest in the real property shall not end upon the recipient's death but shall merge into the remainder interest or other interest in real property the medical assistance recipient owned in joint tenancy with others. The medical assistance lien shall attach to and run with the remainder or other interest in the real property to the extent of the medical assistance recipient's interest in the property at the time of the recipient's death as determined under this section.

(2) If the medical assistance recipient's interest was a life estate in real property, the lien shall be a lien against the portion of the remainder equal to the percentage factor for the life estate of a person the medical assistance recipient's age on the date the life estate ended according to its

terms or the date of the medical assistance recipient's death as listed in the Life Estate Mortality Table in the health care program's manual.

(3) If the medical assistance recipient owned the interest in real property in joint tenancy with others, the lien shall be a lien against the portion of that interest equal to the fractional interest the medical assistance recipient would have owned in the jointly owned interest had the medical assistance recipient and the other owners held title to that interest as tenants in common on the date the medical assistance recipient died.

(4) The medical assistance lien shall remain a lien against the remainder or other jointly owned interest for the length of time and be renewable as provided in paragraph (a).

(5) Section 514.981, subdivision 5, paragraphs (a), clause (4), (b), clauses (1) and (2); and subdivision 6, paragraph (b), do not apply to medical assistance liens which attach to interests in real property as provided under this subdivision.

(6) The continuation of a medical assistance recipient's life estate or joint tenancy interest in real property after the medical assistance recipient's death for the purpose of recovering medical assistance provided for in sections 514.980 to 514.985 modifies common law principles holding that these interests terminate on the death of the holder.

(7) Notwithstanding any law or rule to the contrary, no release, satisfaction, discharge, or affidavit under section 256B.15 shall extinguish or terminate the life estate or joint tenancy interest of a medical assistance recipient subject to a lien under sections 514.980 to 514.985 on the date the recipient dies.

[EFFECTIVE DATE.] This section is effective August 1, 2003, and applies to all medical assistance liens recorded or filed on or after that date.

Sec. 22. [514.991] [ALTERNATIVE CARE LIENS; DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 514.991 to 514.995.

Subd. 2. [ALTERNATIVE CARE AGENCY, AGENCY, OR DEPARTMENT.] "Alternative care agency," "agency," or "department" means the department of human services when it pays for or provides alternative care benefits for a nonmedical assistance recipient directly or through a county social services agency under chapter 256B according to section 256B.0913.

Subd. 3. [ALTERNATIVE CARE BENEFIT OR BENEFITS.] "Alternative care benefit" or "benefits" means a benefit provided to a nonmedical assistance recipient under chapter 256B according to section 256B.0913.

Subd. 4. [ALTERNATIVE CARE RECIPIENT OR RECIPIENT.] "Alternative care recipient" or "recipient" means a person who receives alternative care grant benefits.

Subd. 5. [ALTERNATIVE CARE LIEN OR LIEN.] "Alternative care lien" or "lien" means a lien filed under sections 514.992 to 514.995.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for services for persons first enrolling in the alternative care program on or after that date and on the first day of the first eligibility renewal period for persons enrolled in the alternative care program prior to July 1, 2003.

Sec. 23. [514.992] [ALTERNATIVE CARE LIEN.]

Subdivision 1. [PROPERTY SUBJECT TO LIEN; LIEN AMOUNT.] (a) Subject to sections 514.991 to 514.995, payments made by an alternative care agency to provide benefits to a recipient or to the recipient's spouse who owns property in this state constitute a lien in favor of the agency on all real property the recipient owns at and after the time the benefits are first paid.

(b) The amount of the lien is limited to benefits paid for services provided to recipients over 55 years of age and provided on and after July 1, 2003.

Subd. 2. [ATTACHMENT.] (a) A lien attaches to and becomes enforceable against specific real property as of the date when all of the following conditions are met:

- (1) the agency has paid benefits for a recipient;
- (2) the recipient has been given notice and an opportunity for a hearing under paragraph (b);
- (3) the lien has been filed as provided for in section 514.993 or memorialized on the certificate of title for the property it describes; and
- (4) all restrictions against enforcement have ceased to apply.

(b) An agency may not file a lien until it has sent the recipient, their authorized representative, or their legal representative written notice of its lien rights by certified mail, return receipt requested, or registered mail and there has been an opportunity for a hearing under section 256.045. No person other than the recipient shall have a right to a hearing under section 256.045 prior to the time the lien is filed. The hearing shall be limited to whether the agency has met all of the prerequisites for filing the lien and whether any of the exceptions in this section apply.

(c) An agency may not file a lien against the recipient's homestead when any of the following exceptions apply:

(1) while the recipient's spouse is also physically present and lawfully and continuously residing in the homestead;

(2) a child of the recipient who is under age 21 or who is blind or totally and permanently disabled according to supplemental security income criteria is also physically present on the property and lawfully and continuously residing on the property from and after the date the recipient first receives benefits;

(3) a child of the recipient who has also lawfully and continuously resided on the property for a period beginning at least two years before the first day of the month in which the recipient began receiving alternative care, and who provided uncompensated care to the recipient which enabled the recipient to live without alternative care services for the two-year period;

(4) a sibling of the recipient who has an ownership interest in the property of record in the office of the county recorder or registrar of titles for the county in which the real property is located and who has also continuously occupied the homestead for a period of at least one year immediately prior to the first day of the first month in which the recipient received benefits and continuously since that date.

(d) A lien only applies to the real property it describes.

Subd. 3. [CONTINUATION OF LIEN.] A lien remains effective from the time it is filed until it is paid, satisfied, discharged, or becomes unenforceable under sections 514.991 to 514.995.

Subd. 4. [PRIORITY OF LIEN.] (a) A lien which attaches to the real property it describes is subject to the rights of anyone else whose interest in the real property is perfected of record before the lien has been recorded or filed under section 514.993, including:

- (1) an owner, other than the recipient or the recipient's spouse;
- (2) a good faith purchaser for value without notice of the lien;
- (3) a holder of a mortgage or security interest; or
- (4) a judgment lien creditor whose judgment lien has attached to the recipient's interest in the real property.

(b) The rights of the other person have the same protections against an alternative care lien as are afforded against a judgment lien that arises out of an unsecured obligation and arises as of the time of the filing of an alternative care grant lien under section 514.993. The lien shall be inferior

to a lien for property taxes and special assessments and shall be superior to all other matters first appearing of record after the time and date the lien is filed or recorded.

Subd. 5. [SETTLEMENT, SUBORDINATION, AND RELEASE.] (a) An agency may, with absolute discretion, settle or subordinate the lien to any other lien or encumbrance of record upon the terms and conditions it deems appropriate.

(b) The agency filing the lien shall release and discharge the lien:

(1) if it has been paid, discharged, or satisfied;

(2) if it has received reimbursement for the amounts secured by the lien, has entered into a binding and legally enforceable agreement under which it is reimbursed for the amount of the lien, or receives other collateral sufficient to secure payment of the lien;

(3) against some, but not all, of the property it describes upon the terms, conditions, and circumstances the agency deems appropriate;

(4) to the extent it cannot be lawfully enforced against the property it describes because of an error, omission, or other material defect in the legal description contained in the lien or a necessary prerequisite to enforcement of the lien; and

(5) if, in its discretion, it determines the filing or enforcement of the lien is contrary to the public interest.

(c) The agency executing the lien shall execute and file the release as provided for in section 514.993, subdivision 2.

Subd. 6. [LENGTH OF LIEN.] (a) A lien shall be a lien on the real property it describes for a period of ten years from the date it attaches according to subdivision 2, paragraph (a), except as otherwise provided for in sections 514.992 to 514.995. The agency filing the lien may renew the lien for one additional ten-year period from the date it would otherwise expire by recording or filing a certificate of renewal before the lien expires. The certificate of renewal shall be recorded or filed in the office of the county recorder or registrar of titles for the county in which the lien is recorded or filed. The certificate must refer to the recording or filing data for the lien it renews. The certificate need not be attested, certified, or acknowledged as a condition for recording or filing. The recorder or registrar of titles shall record, file, index, and return the certificate of renewal in the same manner provided for liens in section 514.993, subdivision 2.

(b) An alternative care lien is not enforceable against the real property of an estate to the extent there is a determination by a court of competent jurisdiction, or by an officer of the court designated for that purpose, that there are insufficient assets in the estate to satisfy the lien in whole or in part because of the homestead exemption under section 256B.15, subdivision 4, the rights of a surviving spouse or a minor child under section 524.2-403, paragraphs (a) and (b), or claims with a priority under section 524.3-805, paragraph (a), clauses (1) to (4). For purposes of this section, the rights of the decedent's adult children to exempt property under section 524.2-403, paragraph (b), shall not be considered costs of administration under section 524.3-805, paragraph (a), clause (1).

[EFFECTIVE DATE.] This section is effective July 1, 2003, for services for persons first enrolling in the alternative care program on or after that date and on the first day of the first eligibility renewal period for persons enrolled in the alternative care program prior to July 1, 2003.

Sec. 24. [514.993] [LIEN; CONTENTS AND FILING.]

Subdivision 1. [CONTENTS.] A lien shall be dated and must contain:

(1) the recipient's full name, last known address, and social security number;

(2) a statement that benefits have been paid to or for the recipient's benefit;

(3) a statement that all of the recipient's interests in the in the real property described in the lien may be subject to or affected by the agency's right to reimbursement for benefits;

(4) a legal description of the real property subject to the lien and whether it is registered or abstract property; and

(5) such other contents, if any, as the agency deems appropriate.

Subd. 2. [FILING.] Any lien, release, or other document required or permitted to be filed under sections 514.991 to 514.995 must be recorded or filed in the office of the county recorder or registrar of titles, as appropriate, in the county where the real property is located. Notwithstanding section 386.77, the agency shall pay the applicable filing fee for any documents filed under sections 514.991 to 514.995. An attestation, certification, or acknowledgment is not required as a condition of filing. If the property described in the lien is registered property, the registrar of titles shall record it on the certificate of title for each parcel of property described in the lien. If the property described in the lien is abstract property, the recorder shall file the lien in the county's grantor-grantee indexes and any tract indexes the county maintains for each parcel of property described in the lien. The recorder or registrar shall return the recorded or filed lien to the agency at no cost. If the agency provides a duplicate copy of the lien, the recorder or registrar of titles shall show the recording or filing data on the copy and return it to the agency at no cost. The agency is responsible for filing any lien, release, or other documents under sections 514.991 to 514.995.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for services for persons first enrolling in the alternative care program on or after that date and on the first day of the first eligibility renewal period for persons enrolled in the alternative care program prior to July 1, 2003.

Sec. 25. [514.994] [ENFORCEMENT; OTHER REMEDIES.]

Subdivision 1. [FORECLOSURE OR ENFORCEMENT OF LIEN.] The agency may enforce or foreclose a lien filed under sections 514.991 to 514.995 in the manner provided for by law for enforcement of judgment liens against real estate or by a foreclosure by action under chapter 581. The lien shall remain enforceable as provided for in sections 514.991 to 514.995 notwithstanding any laws limiting the enforceability of judgments.

Subd. 2. [HOMESTEAD EXEMPTION.] The lien may not be enforced against the homestead property of the recipient or the spouse while they physically occupy it as their lawful residence.

Subd. 3. [AGENCY CLAIM OR REMEDY.] Sections 514.992 to 514.995 do not limit the agency's right to file a claim against the recipient's estate or the estate of the recipient's spouse, do not limit any other claims for reimbursement the agency may have, and do not limit the availability of any other remedy to the agency.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for services for persons first enrolling in the alternative care program on or after that date and on the first day of the first eligibility renewal period for persons enrolled in the alternative care program prior to July 1, 2003.

Sec. 26. [514.995] [AMOUNTS RECEIVED TO SATISFY LIEN.]

Amounts the agency receives to satisfy the lien must be deposited in the state treasury and credited to the fund from which the benefits were paid.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for services for persons first enrolling in the alternative care program on or after that date and on the first day of the first eligibility renewal period for persons enrolled in the alternative care program prior to July 1, 2003.

Sec. 27. Minnesota Statutes 2002, section 524.3-805, is amended to read:

524.3-805 [CLASSIFICATION OF CLAIMS.]

(a) If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

(1) costs and expenses of administration;

(2) reasonable funeral expenses;

(3) debts and taxes with preference under federal law;

(4) reasonable and necessary medical, hospital, or nursing home expenses of the last illness of the decedent, including compensation of persons attending the decedent, a claim filed under section 256B.15 for recovery of expenditures for alternative care for nonmedical assistance recipients under section 256B.0913, and including a claim filed pursuant to section 256B.15;

(5) reasonable and necessary medical, hospital, and nursing home expenses for the care of the decedent during the year immediately preceding death;

(6) debts with preference under other laws of this state, and state taxes;

(7) all other claims.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, and a claim due and payable shall not be entitled to a preference over claims not due, except that if claims for expenses of the last illness involve only claims filed under section 256B.15 for recovery of expenditures for alternative care for nonmedical assistance recipients under section 256B.0913, section 246.53 for costs of state hospital care and claims filed under section 256B.15, claims filed to recover expenditures for alternative care for nonmedical assistance recipients under section 256B.0913 shall have preference over claims filed under both section 246.53 and other claims filed under section 256B.15, and claims filed under section 246.53 have preference over claims filed under section 256B.15 for recovery of amounts other than those for expenditures for alternative care for nonmedical assistance recipients under section 256B.0913.

[EFFECTIVE DATE.] This section is effective July 1, 2003, for decedents dying on or after that date.

ARTICLE 8

PROGRAMS AND FUNDING TRANSFERRED FROM THE DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING

Section 1. Minnesota Statutes 2002, section 119B.011, subdivision 6, is amended to read:

Subd. 6. [CHILD CARE FUND.] "Child care fund" means a program under this chapter providing:

(1) financial assistance for child care to parents engaged in employment, job search, or education and training leading to employment, ~~or an at-home infant care subsidy~~; and

(2) grants to develop, expand, and improve the access and availability of child care services statewide.

Sec. 2. Minnesota Statutes 2002, section 119B.011, subdivision 15, is amended to read:

Subd. 15. [INCOME.] "Income" means earned or unearned income received by all family members, including public assistance cash benefits ~~and at-home infant care subsidy payments~~, unless specifically excluded and child support and maintenance distributed to the family under section 256.741, subdivision 15. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs or reimbursement for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; state and federal earned income tax credits; in-kind income such as food stamps, energy assistance, foster care assistance, medical assistance, child care assistance, and housing subsidies; earned income of full-time or part-time students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma including earnings from summer employment; grant awards under the family subsidy program; nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.741.

Sec. 3. Minnesota Statutes 2002, section 119B.09, subdivision 7, is amended to read:

Subd. 7. [DATE OF ELIGIBILITY FOR ASSISTANCE.] (a) The date of eligibility for child care assistance under this chapter is the later of the date the application was signed; the beginning date of employment, education, or training; or the date a determination has been made that the applicant is a participant in employment and training services under Minnesota Rules, part 3400.0080, subpart 2a, or chapter 256J or 256K. ~~The date of eligibility for the basic sliding fee at-home infant child care program is the later of the date the infant is born or, in a county with a basic sliding fee waiting list, the date the family applies for at-home infant child care.~~

~~(b) Payment ceases for a family under the at-home infant child care program when a family has used a total of 12 months of assistance as specified under section 119B.061. Payment of child care assistance for employed persons on MFIP is effective the date of employment or the date of MFIP eligibility, whichever is later. Payment of child care assistance for MFIP or work first participants in employment and training services is effective the date of commencement of the services or the date of MFIP or work first eligibility, whichever is later. Payment of child care assistance for transition year child care must be made retroactive to the date of eligibility for transition year child care.~~

Sec. 4. Minnesota Statutes 2002, section 119B.13, is amended by adding a subdivision to read:

Subd. 1a. [LEGAL NONLICENSED FAMILY CHILD CARE PROVIDER RATES.] (a) Legal nonlicensed family child care providers receiving reimbursement under this chapter must be paid in hourly blocks of time for families receiving assistance.

(b) The maximum rate paid to legal nonlicensed family child care providers must be 90 percent of the county maximum hourly rate for licensed family child care providers. In counties where the maximum hourly rate for licensed family child care providers is higher than the maximum weekly rate for those providers divided by 50, the maximum hourly rate that may be paid to legal nonlicensed family child care providers is the rate equal to the maximum weekly rate for licensed family child care providers divided by 50 and then multiplied by 0.90.

(c) A rate which includes a provider bonus paid under subdivision 2 or a special needs rate paid under subdivision 3 may be in excess of the maximum rate allowed under this subdivision.

(d) Legal nonlicensed family child care providers receiving reimbursement under this chapter may not be paid registration fees for families receiving assistance.

Sec. 5. Minnesota Statutes 2002, section 119B.13, subdivision 2, is amended to read:

Subd. 2. [PROVIDER RATE BONUS FOR ACCREDITATION.] A family child care provider or child care center shall be paid a ten percent bonus above the maximum rate established in subdivision 1 ~~or 1a~~, if the provider or center holds a current early childhood development credential approved by the commissioner, up to the actual provider rate.

Sec. 6. [CHILD CARE ASSISTANCE PARENT FEE SCHEDULE, RULEMAKING.]

The parent fee schedule in Minnesota Rules, part 3400.0100, subpart 4, is amended as follows:

(1) parent fees for families with incomes greater than 100 percent of the federal poverty guidelines but less than 35.01 percent of the state median income must equal 2.42 percent of adjusted gross income for families at 35 percent of the state median income;

(2) parent fees for families with incomes equal to or greater than 35.01 percent of the state median income but less than 42.01 percent of the state median income must equal 2.97 percent of adjusted gross income for families at 42 percent of the state median income;

(3) parent fees for families with incomes equal to or greater than 42.01 percent of the state median income but less than 75 percent of the state median income must begin at 4.13 percent of adjusted gross income and provide for graduated movement of fee increases using the fixed percentages of income listed in Minnesota Rules, part 3400.0100, subpart 4, increased by ten percent; and

(4) parent fees for families equal to 75 percent of the state median income must equal 22 percent of gross annual income.

Sec. 7. [REPEALER.]

Minnesota Statutes 2002, section 119B.061, is repealed.

ARTICLE 9

FAMILY AND EARLY CHILDHOOD

Section 1. Minnesota Statutes 2002, section 119B.011, subdivision 5, is amended to read:

Subd. 5. [CHILD CARE.] "Child care" means the care of a child by someone other than a parent or stepparent, legal guardian, eligible relative caregiver, or the spouses of any of the foregoing in or outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

Sec. 2. Minnesota Statutes 2002, section 119B.011, subdivision 15, is amended to read:

Subd. 15. [INCOME.] "Income" means earned or unearned income received by all family members, including public assistance cash benefits and at-home infant care subsidy payments, unless specifically excluded and child support and maintenance distributed to the family under section 256.741, subdivision 15. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs or reimbursement for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; state and federal earned income tax credits; assistance specifically excluded as income by law; in-kind income such as food stamps, energy assistance, foster care assistance, medical assistance, child care assistance, and housing subsidies; earned income of full-time or part-time students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma including earnings from summer employment; grant awards under the family subsidy program; nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.741.

Sec. 3. Minnesota Statutes 2002, section 119B.011, subdivision 19, is amended to read:

Subd. 19. [PROVIDER.] "Provider" means (1) an individual or child care center or facility, either licensed or unlicensed, providing legal child care services as defined under section 245A.03, or (2) an individual or child care center or facility holding a valid child care license issued by another state or a tribe and providing child care services in the licensing state or in the area under the licensing tribe's jurisdiction. A legally unlicensed registered family child care provider must be at least 18 years of age, and not a member of the MFIP assistance unit or a member of the family receiving child care assistance to be authorized under this chapter.

Sec. 4. Minnesota Statutes 2002, section 119B.011, is amended by adding a subdivision to read:

Subd. 19a. [REGISTRATION.] "Registration" means the process used by a county to determine whether the provider selected by a family applying for or receiving child care assistance to care for that family's children meets the requirements necessary for payment of child care assistance for care provided by that provider.

Sec. 5. Minnesota Statutes 2002, section 119B.02, subdivision 1, is amended to read:

Subdivision 1. [CHILD CARE SERVICES.] The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The rules shall provide that funds received as a lump sum payment of child support arrearages shall not be counted as income to a family in the month received but shall be prorated

over the 12 months following receipt and added to the family income during those months. ~~In the rules adopted under this section, county and human services boards shall be authorized to establish policies for payment of child care spaces for absent children, when the payment is required by the child's regular provider. The rules shall not set a maximum number of days for which absence payments can be made, but instead shall direct the county agency to set limits and pay for absences according to the prevailing market practice in the county. County policies for payment of absences shall be subject to the approval of the commissioner.~~ The commissioner shall maximize the use of federal money under title I and title IV of Public Law Number 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and other programs that provide federal or state reimbursement for child care services for low-income families who are in education, training, job search, or other activities allowed under those programs. Money appropriated under this section must be coordinated with the programs that provide federal reimbursement for child care services to accomplish this purpose. Federal reimbursement obtained must be allocated to the county that spent money for child care that is federally reimbursable under programs that provide federal reimbursement for child care services. The counties shall use the federal money to expand child care services. The commissioner may adopt rules under chapter 14 to implement and coordinate federal program requirements.

Sec. 6. Minnesota Statutes 2002, section 119B.03, subdivision 9, is amended to read:

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

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

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

(2) notify the new county of residence within ~~30~~ 60 days of moving and ~~apply for basic sliding fee assistance in~~ submit information to the new county of residence to verify eligibility for the basic sliding fee program.

(c) The receiving county must:

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

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

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

Sec. 7. Minnesota Statutes 2002, section 119B.05, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBLE PARTICIPANTS.] Families eligible for child care assistance under the MFIP child care program are:

(1) MFIP participants who are employed or in job search and meet the requirements of section 119B.10;

(2) persons who are members of transition year families under section 119B.011, subdivision 20, and meet the requirements of section 119B.10;

(3) families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K;

(4) MFIP families who are participating in work job search, job support, employment, or training activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J;

(5) MFIP families who are participating in social services activities under chapter 256J or 256K as required in their employment plan approved according to chapter 256J or 256K; and

(6) families who are participating in programs as required in tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2.

Sec. 8. Minnesota Statutes 2002, section 119B.08, subdivision 3, is amended to read:

Subd. 3. [CHILD CARE FUND PLAN.] The county and designated administering agency shall submit a biennial child care fund plan to the commissioner ~~an annual child care fund plan in its biennial community social services plan.~~ The commissioner shall establish the dates by which the county must submit the plans. The plan shall include:

~~(1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;~~

~~(2) the methods used by the county to inform eligible families of the availability of child care assistance and related services;~~

~~(3) the provider rates paid for all children with special needs by provider type;~~

~~(4) the county prioritization policy for all eligible families under the basic sliding fee program; and~~

(5) other a description of strategies to coordinate and maximize public and private community resources, including school districts, health care facilities, government agencies, neighborhood organizations, and other resources knowledgeable in early childhood development, in particular to coordinate child care assistance with existing community-based programs and service providers including child care resource and referral programs, early childhood family education, school readiness, Head Start, local interagency early intervention committees, special education services, early childhood screening, and other early childhood care and education services and programs to the extent possible, to foster collaboration among agencies and other community-based programs that provide flexible, family-focused services to families with young children and to facilitate the transition to kindergarten. The county must describe a method by which to share information, responsibility, and accountability among service and program providers;

(2) a description of procedures and methods to be used to make copies of the proposed state plan reasonably available to the public, including members of the public particularly interested in child care policies such as parents, child care providers, culturally specific service organizations, child care resource and referral programs, interagency early intervention committees, potential collaboration partners and agencies involved in the provision of care and education to young children, and allowing sufficient time for public review and comment; and

(3) information as requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within ~~60~~ 90 days of the date the plan is submitted whether the plan is approved or the corrections or information needed to approve the plan. The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Sec. 9. Minnesota Statutes 2002, section 119B.11, subdivision 2a, is amended to read:

Subd. 2a. [RECOVERY OF OVERPAYMENTS.] An amount of child care assistance paid to a

recipient in excess of the payment due is recoverable by the county agency. If the family remains eligible for child care assistance, the overpayment must be recovered through recoupment as identified in Minnesota Rules, part 3400.0140, subpart 19, except that the overpayments must be calculated and collected on a service period basis. If the family no longer remains eligible for child care assistance, the county may choose to initiate efforts to recover overpayments from the family for overpayment less than \$50. If the overpayment is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment from the family. If the county is unable to recoup the overpayment through voluntary repayment, the county shall initiate civil court proceedings to recover the overpayment unless the county's costs to recover the overpayment will exceed the amount of the overpayment. A family with an outstanding debt under this subdivision is not eligible for child care assistance until: (1) the debt is paid in full; or (2) satisfactory arrangements are made with the county to retire the debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400, and the family is in compliance with the arrangements.

Sec. 10. Minnesota Statutes 2002, section 119B.12, subdivision 2, is amended to read:

Subd. 2. [PARENT FEE.] A family must be assessed a parent fee for each service period. A family's monthly parent fee must be a fixed percentage of its annual gross income. Parent fees must apply to families eligible for child care assistance under sections 119B.03 and 119B.05. Income must be as defined in section 119B.011, subdivision 15. The fixed percent is based on the relationship of the family's annual gross income to 100 percent of state median income. Beginning January 1, 1998, parent fees must begin at 75 percent of the poverty level. The minimum parent fees for families between 75 percent and 100 percent of poverty level must be \$5 per month service period. Parent fees must be established in rule and must provide for graduated movement to full payment.

Sec. 11. [119B.125] [PROVIDER REQUIREMENTS.]

Subdivision 1. [AUTHORIZATION.] Except as provided in subdivision 3, a county must authorize the provider chosen by an applicant or a participant before the county can authorize payment for care provided by that provider. The commissioner must establish the requirements necessary for authorization of providers.

Subd. 2. [UNSAFE CARE.] A county may deny authorization as a child care provider to any applicant or rescind authorization of any provider when the county knows or has reason to believe that the provider is unsafe or that the circumstances of the chosen child care arrangement are unsafe. The county must include the conditions under which a provider or care arrangement will be determined to be unsafe in the county's child care fund plan under section 119B.08, subdivision 3.

Subd. 3. [PROVISIONAL PAYMENT.] After a county receives a completed application from a provider, the county may issue provisional authorization and payment to the provider during the time needed to determine whether to give final authorization to the provider.

Subd. 4. [RECORD KEEPING REQUIREMENT.] All providers must keep daily attendance records for children receiving child care assistance and must make those records available immediately to the county upon request. The daily attendance records must be retained for six years after the date of service. A county may deny authorization as a child care provider to any applicant or rescind authorization of any provider when the county knows or has reason to believe that the provider has not complied with the record keeping requirement in this subdivision.

Sec. 12. Minnesota Statutes 2002, section 119B.13, subdivision 6, is amended to read:

Subd. 6. [PROVIDER PAYMENTS.] (a) Counties or the state shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses.

(b) If payments for child care assistance are made to providers, the provider shall bill the county for services provided within ten days of the end of the month of service period. If bills are submitted in accordance with the provisions of this subdivision within ten days of the end of the service period, a county or the state shall issue payment to the provider of child care under the

child care fund within 30 days of receiving an invoice a bill from the provider. Counties or the state may establish policies that make payments on a more frequent basis.

(c) All bills must be submitted within 60 days of the last date of service on the bill. A county may pay a bill submitted more than 60 days after the last date of service if the provider shows good cause why the bill was not submitted within 60 days. Good cause must be defined in the county's child care fund plan under section 119B.08, subdivision 3, and the definition of good cause must include county error. A county may not pay any bill submitted more than a year after the last date of service on the bill.

(d) A county may stop payment issued to a provider or may refuse to pay a bill submitted by a provider if:

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

(2) a county finds by a preponderance of the evidence that the provider intentionally gave the county false information on the provider's billing forms.

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

Sec. 13. Minnesota Statutes 2002, section 119B.19, subdivision 7, is amended to read:

Subd. 7. [CHILD CARE RESOURCE AND REFERRAL PROGRAMS.] Within each region, a child care resource and referral program must:

(1) maintain one database of all existing child care resources and services and one database of family referrals;

(2) provide a child care referral service for families;

(3) develop resources to meet the child care service needs of families;

(4) increase the capacity to provide culturally responsive child care services;

(5) coordinate professional development opportunities for child care and school-age care providers;

(6) administer and award child care services grants;

(7) administer and provide loans for child development education and training; and

(8) cooperate with the Minnesota Child Care Resource and Referral Network and its member programs to develop effective child care services and child care resources; and

(9) assist in fostering coordination, collaboration, and planning among child care programs and community programs such as school readiness, Head Start, early childhood family education, local interagency early intervention committees, early childhood screening, special education services, and other early childhood care and education services and programs that provide flexible, family-focused services to families with young children to the extent possible.

Sec. 14. Minnesota Statutes 2002, section 119B.21, subdivision 11, is amended to read:

Subd. 11. [STATEWIDE ADVISORY TASK FORCE.] The commissioner may convene a statewide advisory task force to advise the commissioner on statewide grants or other child care issues. The following groups must be represented: family child care providers, child care center programs, school-age care providers, parents who use child care services, health services, social services, Head Start, public schools, school-based early childhood programs, special education programs, employers, and other citizens with demonstrated interest in child care issues. Additional members may be appointed by the commissioner. The commissioner may compensate members

for their travel, child care, and child care provider substitute expenses for attending task force meetings. The commissioner may also pay a stipend to parent representatives for participating in task force meetings.

Sec. 15. Minnesota Statutes 2002, section 119B.23, subdivision 3, is amended to read:

Subd. 3. [BIENNIAL PLAN.] The county board shall biennially develop a plan for the distribution of money for child care services as part of the ~~community social services plan described in section 256E.09~~ child care fund plan under section 119B.08. All licensed child care programs shall be given written notice concerning the availability of money and the application process.

Sec. 16. Minnesota Statutes 2002, section 256.046, subdivision 1, is amended to read:

Subdivision 1. [HEARING AUTHORITY.] A local agency must initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the aid to families with dependent children program formerly codified in sections 256.72 to 256.87, MFIP, child care assistance programs, general assistance, family general assistance program formerly codified in section 256D.05, subdivision 1, clause (15), Minnesota supplemental aid, medical care, or food stamp programs. The hearing is subject to the requirements of section 256.045 and the requirements in Code of Federal Regulations, title 7, section 273.16, for the food stamp program and title 45, section 235.112, as of September 30, 1995, for the cash grant, child care assistance administered under chapter 119B, and medical care programs.

Sec. 17. Minnesota Statutes 2002, section 256.0471, subdivision 1, is amended to read:

Subdivision 1. [QUALIFYING OVERPAYMENT.] Any overpayment for assistance granted under ~~section 119B.05~~ chapter 119B, the MFIP program formerly codified under sections 256.031 to 256.0361, and the AFDC program formerly codified under sections 256.72 to 256.871; chapters 256B, 256D, 256I, 256J, and 256K; and the food stamp program, except agency error claims, become a judgment by operation of law 90 days after the notice of overpayment is personally served upon the recipient in a manner that is sufficient under rule 4.03(a) of the Rules of Civil Procedure for district courts, or by certified mail, return receipt requested. This judgment shall be entitled to full faith and credit in this and any other state.

Sec. 18. Minnesota Statutes 2002, section 256.98, subdivision 8, is amended to read:

Subd. 8. [DISQUALIFICATION FROM PROGRAM.] (a) Any person found to be guilty of wrongfully obtaining assistance by a federal or state court or by an administrative hearing determination, or waiver thereof, through a disqualification consent agreement, or as part of any approved diversion plan under section 401.065, or any court-ordered stay which carries with it any probationary or other conditions, in the Minnesota family investment program, the food stamp program, the general assistance program, the group residential housing program, or the Minnesota supplemental aid program shall be disqualified from that program. In addition, any person disqualified from the Minnesota family investment program shall also be disqualified from the food stamp program. The needs of that individual shall not be taken into consideration in determining the grant level for that assistance unit:

- (1) for one year after the first offense;
- (2) for two years after the second offense; and
- (3) permanently after the third or subsequent offense.

The period of program disqualification shall begin on the date stipulated on the advance notice of disqualification without possibility of postponement for administrative stay or administrative hearing and shall continue through completion unless and until the findings upon which the sanctions were imposed are reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review. The sanctions provided under this subdivision are in addition to, and not in substitution for, any other sanctions that may be provided for by law for

the offense involved. A disqualification established through hearing or waiver shall result in the disqualification period beginning immediately unless the person has become otherwise ineligible for assistance. If the person is ineligible for assistance, the disqualification period begins when the person again meets the eligibility criteria of the program from which they were disqualified and makes application for that program.

(b) A family receiving assistance through child care assistance programs under chapter 119B with a family member who is found to be guilty of wrongfully obtaining child care assistance by a federal court, state court, or an administrative hearing determination or waiver, through a disqualification consent agreement, as part of an approved diversion plan under section 401.065, or a court-ordered stay with probationary or other conditions, is disqualified from child care assistance programs. The disqualifications must be for periods of three months, six months, and two years for the first, second, and third offenses respectively. Subsequent violations must result in permanent disqualification. During the disqualification period, disqualification from any child care program must extend to all child care programs and must be immediately applied.

(c) A provider caring for children receiving assistance through child care assistance programs under chapter 119B is disqualified from receiving payment for child care services from the child care assistance programs under chapter 119B when the provider is found to have wrongfully obtained child care assistance by a federal court, state court, or an administrative hearing determination or waiver under section 256.046, through a disqualification consent agreement, as part of an approved diversion plan under section 401.065, or a court-ordered stay with probationary or other conditions. The disqualification must be for a period of one year for the first offense and two years for the second offense. Any subsequent violation must result in permanent disqualification. The disqualification period must be imposed immediately after a determination is made under this paragraph. During the disqualification period, the provider is disqualified from receiving payment from any child care program under chapter 119B.

Sec. 19. [REPEALER.]

Laws 2001, First Special Session chapter 3, article 1, section 16, is repealed.

ARTICLE 10

HEALTH CARE

Section 1. Minnesota Statutes 2002, section 62J.692, subdivision 8, is amended to read:

Subd. 8. [FEDERAL FINANCIAL PARTICIPATION.] (a) The commissioner of human services shall seek to maximize federal financial participation in payments for medical education and research costs. If the commissioner of human services determines that federal financial participation is available for the medical education and research, the commissioner of health shall transfer to the commissioner of human services the amount of state funds necessary to maximize the federal funds available. The amount transferred to the commissioner of human services, plus the amount of federal financial participation, shall be distributed to medical assistance providers in accordance with the distribution methodology described in subdivision 4.

(b) For the purposes of paragraph (a), the commissioner shall use physician clinic rates where possible to maximize federal financial participation.

Sec. 2. Minnesota Statutes 2002, section 256.01, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner. Administration and supervision of human services activities or services includes, but is not limited to, assuring timely and accurate distribution of benefits, completeness of service, and quality program management. In addition to administering and supervising human services activities vested by law in the department, the commissioner shall have the authority to:

(a) require county agency participation in training and technical assistance programs to promote compliance with statutes, rules, federal laws, regulations, and policies governing human services;

(b) monitor, on an ongoing basis, the performance of county agencies in the operation and administration of human services, enforce compliance with statutes, rules, federal laws, regulations, and policies governing welfare services and promote excellence of administration and program operation;

(c) develop a quality control program or other monitoring program to review county performance and accuracy of benefit determinations;

(d) require county agencies to make an adjustment to the public assistance benefits issued to any individual consistent with federal law and regulation and state law and rule and to issue or recover benefits as appropriate;

(e) delay or deny payment of all or part of the state and federal share of benefits and administrative reimbursement according to the procedures set forth in section 256.017;

(f) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using appropriated funds; and

(g) enter into contractual agreements with federally recognized Indian tribes with a reservation in Minnesota to the extent necessary for the tribe to operate a federally approved family assistance program or any other program under the supervision of the commissioner. The commissioner shall consult with the affected county or counties in the contractual agreement negotiations, if the county or counties wish to be included, in order to avoid the duplication of county and tribal assistance program services. The commissioner may establish necessary accounts for the purposes of receiving and disbursing funds as necessary for the operation of the programs.

(2) Inform county agencies, on a timely basis, of changes in statute, rule, federal law, regulation, and policy necessary to county agency administration of the programs.

(3) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(4) Administer and supervise all noninstitutional service to handicapped persons, including those who are visually impaired, hearing impaired, or physically impaired or otherwise handicapped. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(5) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(6) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(7) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(8) Act as designated guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded. For children under the guardianship of the commissioner whose interests would be best served by adoptive placement, the commissioner may contract with a licensed child-placing agency or a Minnesota tribal social services agency to provide adoption services. A contract with a licensed child-placing agency must be designed to supplement existing county efforts and may not replace existing county programs, unless the replacement is agreed to by the county board and the appropriate exclusive bargaining representative or the commissioner has evidence that child placements of the county continue to be substantially below that of other counties. Funds encumbered and obligated under an agreement for a specific child shall remain available until the terms of the agreement are fulfilled or the agreement is terminated.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by county agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, rules, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed four years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The secretary of health and human services of the United States has agreed, for the same project, to waive state plan requirements relative to statewide uniformity.

(b) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) According to federal requirements, establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children program formerly codified in sections 256.72 to 256.87, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs. For the medical assistance and the AFDC program formerly codified in sections 256.72 to 256.87, disallowances shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for the AFDC program formerly codified in sections 256.72 to 256.87, and medical assistance programs. For the food stamp program, sanctions shall be shared by each county board, with 50 percent of the sanction being distributed to each county in the same proportion as that county's administrative costs for food stamps are to the total of all food stamp administrative costs for all counties, and 50 percent of the sanctions being distributed to each county in the same proportion as that county's value of food stamp benefits issued are to the total of all benefits issued for all counties. Each county shall pay its share of the disallowance to the

state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$1,000,000. When the balance in the account exceeds \$1,000,000, the excess shall be transferred and credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.

(16) Have the authority to make direct payments to facilities providing shelter to women and their children according to section 256D.05, subdivision 3. Upon the written request of a shelter facility that has been denied payments under section 256D.05, subdivision 3, the commissioner shall review all relevant evidence and make a determination within 30 days of the request for review regarding issuance of direct payments to the shelter facility. Failure to act within 30 days shall be considered a determination not to issue direct payments.

(17) Have the authority to establish and enforce the following county reporting requirements:

(a) The commissioner shall establish fiscal and statistical reporting requirements necessary to account for the expenditure of funds allocated to counties for human services programs. When establishing financial and statistical reporting requirements, the commissioner shall evaluate all reports, in consultation with the counties, to determine if the reports can be simplified or the number of reports can be reduced.

(b) The county board shall submit monthly or quarterly reports to the department as required by the commissioner. Monthly reports are due no later than 15 working days after the end of the month. Quarterly reports are due no later than 30 calendar days after the end of the quarter, unless the commissioner determines that the deadline must be shortened to 20 calendar days to avoid jeopardizing compliance with federal deadlines or risking a loss of federal funding. Only reports that are complete, legible, and in the required format shall be accepted by the commissioner.

(c) If the required reports are not received by the deadlines established in clause (b), the commissioner may delay payments and withhold funds from the county board until the next reporting period. When the report is needed to account for the use of federal funds and the late report results in a reduction in federal funding, the commissioner shall withhold from the county boards with late reports an amount equal to the reduction in federal funding until full federal funding is received.

(d) A county board that submits reports that are late, illegible, incomplete, or not in the required format for two out of three consecutive reporting periods is considered noncompliant. When a county board is found to be noncompliant, the commissioner shall notify the county board of the reason the county board is considered noncompliant and request that the county board develop a corrective action plan stating how the county board plans to correct the problem. The corrective action plan must be submitted to the commissioner within 45 days after the date the county board received notice of noncompliance.

(e) The final deadline for fiscal reports or amendments to fiscal reports is one year after the date the report was originally due. If the commissioner does not receive a report by the final deadline, the county board forfeits the funding associated with the report for that reporting period and the county board must repay any funds associated with the report received for that reporting period.

(f) The commissioner may not delay payments, withhold funds, or require repayment under paragraph (c) or (e) if the county demonstrates that the commissioner failed to provide appropriate forms, guidelines, and technical assistance to enable the county to comply with the requirements. If the county board disagrees with an action taken by the commissioner under paragraph (c) or (e), the county board may appeal the action according to sections 14.57 to 14.69.

(g) Counties subject to withholding of funds under paragraph (c) or forfeiture or repayment of funds under paragraph (e) shall not reduce or withhold benefits or services to clients to cover costs incurred due to actions taken by the commissioner under paragraph (c) or (e).

(18) Allocate federal fiscal disallowances or sanctions for audit exceptions when federal fiscal disallowances or sanctions are based on a statewide random sample for the foster care program under title IV-E of the Social Security Act, United States Code, title 42, in direct proportion to each county's title IV-E foster care maintenance claim for that period.

(19) Be responsible for ensuring the detection, prevention, investigation, and resolution of fraudulent activities or behavior by applicants, recipients, and other participants in the human services programs administered by the department.

(20) Require county agencies to identify overpayments, establish claims, and utilize all available and cost-beneficial methodologies to collect and recover these overpayments in the human services programs administered by the department.

(21) Have the authority to administer a drug rebate program for drugs purchased pursuant to the prescription drug program established under section 256.955 after the beneficiary's satisfaction of any deductible established in the program. The commissioner shall require a rebate agreement from all manufacturers of covered drugs as defined in section 256B.0625, subdivision 13. Rebate agreements for prescription drugs delivered on or after July 1, 2002, must include rebates for individuals covered under the prescription drug program who are under 65 years of age. For each drug, the amount of the rebate shall be equal to the basic rebate as defined for purposes of the federal rebate program in United States Code, title 42, section 1396r-8(c)(1). This basic rebate shall be applied to single-source and multiple-source drugs. The manufacturers must provide full payment within 30 days of receipt of the state invoice for the rebate within the terms and conditions used for the federal rebate program established pursuant to section 1927 of title XIX of the Social Security Act. The manufacturers must provide the commissioner with any information necessary to verify the rebate determined per drug. The rebate program shall utilize the terms and conditions used for the federal rebate program established pursuant to section 1927 of title XIX of the Social Security Act.

(22) Have the authority to administer the federal drug rebate program for drugs purchased under the medical assistance program as allowed by section 1927 of title XIX of the Social Security Act and according to the terms and conditions of section 1927. Rebates shall be collected for all drugs that have been dispensed or administered in an outpatient setting and that are from manufacturers who have signed a rebate agreement with the United States Department of Health and Human Services.

(23) Have the authority to administer a supplemental drug rebate program for drugs purchased under the medical assistance program. The commissioner may enter into supplemental rebate contracts with pharmaceutical manufacturers and may require prior authorization for drugs that are from manufacturers that have not signed a supplemental rebate contract. Prior authorization of drugs shall be subject to the provisions of section 256B.0625, subdivision 13. The commissioner shall evaluate whether participation in a multistate preferred drug list and supplemental rebate program can reduce costs or improve the operations of the medical assistance program. The commissioner may enter into a contract with a vendor or other states for the purposes of participating in a multistate preferred drug list and supplemental rebate program.

(24) Operate the department's communication systems account established in Laws 1993, First Special Session chapter 1, article 1, section 2, subdivision 2, to manage shared communication costs necessary for the operation of the programs the commissioner supervises. A communications account may also be established for each regional treatment center which operates

communications systems. Each account must be used to manage shared communication costs necessary for the operations of the programs the commissioner supervises. The commissioner may distribute the costs of operating and maintaining communication systems to participants in a manner that reflects actual usage. Costs may include acquisition, licensing, insurance, maintenance, repair, staff time and other costs as determined by the commissioner. Nonprofit organizations and state, county, and local government agencies involved in the operation of programs the commissioner supervises may participate in the use of the department's communications technology and share in the cost of operation. The commissioner may accept on behalf of the state any gift, bequest, devise or personal property of any kind, or money tendered to the state for any lawful purpose pertaining to the communication activities of the department. Any money received for this purpose must be deposited in the department's communication systems accounts. Money collected by the commissioner for the use of communication systems must be deposited in the state communication systems account and is appropriated to the commissioner for purposes of this section.

(25) Receive any federal matching money that is made available through the medical assistance program for the consumer satisfaction survey. Any federal money received for the survey is appropriated to the commissioner for this purpose. The commissioner may expend the federal money received for the consumer satisfaction survey in either year of the biennium.

(26) Incorporate cost reimbursement claims from First Call Minnesota and Greater Twin Cities United Way into the federal cost reimbursement claiming processes of the department according to federal law, rule, and regulations. Any reimbursement received is appropriated to the commissioner and shall be disbursed to First Call Minnesota and Greater Twin Cities United Way according to normal department payment schedules.

(27) Develop recommended standards for foster care homes that address the components of specialized therapeutic services to be provided by foster care homes with those services.

Sec. 3. Minnesota Statutes 2002, section 256B.057, subdivision 2, is amended to read:

Subd. 2. [CHILDREN.] Except as specified in subdivision 1b, effective July 1, 2002 2003, a child one through 18 years of age in a family whose countable income is no greater than ~~170~~ 150 percent of the federal poverty guidelines for the same family size, is eligible for medical assistance.

Sec. 4. Minnesota Statutes 2002, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs, except for fertility drugs when specifically used to enhance fertility, if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, by a physician enrolled in the medical assistance program as a dispensing physician, or by a physician or a nurse practitioner employed by or under contract with a community health board as defined in section 145A.02, subdivision 5, for the purposes of communicable disease control.

(b) The commissioner, after receiving recommendations from professional medical associations and professional pharmacist pharmacy associations, shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative carry out duties as described in this subdivision. The formulary committee shall be comprised of four licensed physicians actively engaged in the practice of medicine in Minnesota; at least three licensed pharmacists actively engaged in the practice of pharmacy in Minnesota; and one consumer representative; the remainder to be made up of health care professionals who are licensed in their field and have recognized knowledge in the clinically

appropriate prescribing, dispensing, and monitoring of covered outpatient drugs. Members of the formulary committee shall not be employed by the department of human services. Committee members shall serve three-year terms and shall serve without compensation. Members may be reappointed once by the commissioner. The formulary committee shall meet at least quarterly. The commissioner may require more frequent formulary committee meetings as needed. An honorarium of \$100 per meeting and reimbursement for mileage shall be paid to each committee member in attendance.

(b) (c) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the Administrative Procedure Act, but the formulary committee shall review and comment on the formulary contents.

The formulary shall not include:

(i) drugs or products for which there is no federal funding;

(ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, vitamins for children under the age of seven and pregnant or nursing women, and any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14;

(iii) anorectics, except that medically necessary anorectics shall be covered for a recipient previously diagnosed as having pickwickian syndrome and currently diagnosed as having diabetes and being morbidly obese;

(iv) drugs for which medical value has not been established; and

(v) drugs from manufacturers who have not signed a rebate agreement with the Department of Health and Human Services pursuant to section 1927 of title XIX of the Social Security Act.

The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations. ~~An honorarium of \$100 per meeting and reimbursement for mileage shall be paid to each committee member in attendance.~~

(d) Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The formulary committee may recommend drugs for prior authorization directly to the commissioner. The commissioner may also request that the formulary committee review a drug for prior authorization. Before the commissioner may require prior authorization for a drug:

(1) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization may have on the quality of patient care and on program costs, information regarding whether the drug is subject to clinical abuse or misuse, and relevant data from the state Medicaid program if such data is available;

(2) the formulary committee must review the drug, taking into account medical and clinical data and the information provided by the commissioner; and

(3) the formulary committee must hold a public forum and receive public comment for an additional 15 days.

The commissioner must provide a 15-day notice period before implementing the prior authorization.

(e) (e) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee; the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee; or the usual and customary price charged to the public. The amount of payment basis must be reduced to reflect all

discount amounts applied to the charge by any provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The pharmacy dispensing fee shall be \$3.65, except that the dispensing fee for intravenous solutions which must be compounded by the pharmacist shall be \$8 per bag, \$14 per bag for cancer chemotherapy products, and \$30 per bag for total parenteral nutritional products dispensed in one liter quantities, or \$44 per bag for total parenteral nutritional products dispensed in quantities greater than one liter. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus nine percent, except that where a drug has had its wholesale price reduced as a result of the actions of the National Association of Medicaid Fraud Control Units, the estimated actual acquisition cost shall be the reduced average wholesale price, without the nine percent deduction. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third-party payors in this state who have maximum allowable cost programs. The commissioner shall set maximum allowable costs for multisource drugs that are not on the federal upper limit list as described in United States Code, title 42, chapter 7, section 1396r-8(e), the Social Security Act, and Code of Federal Regulations, title 42, part 447, section 447.332. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2.

(d) (f) For purposes of this subdivision, "multisource drugs" means covered outpatient drugs, excluding innovator multisource drugs for which there are two or more drug products, which:

(1) are related as therapeutically equivalent under the Food and Drug Administration's most recent publication of "Approved Drug Products with Therapeutic Equivalence Evaluations";

(2) are pharmaceutically equivalent and bioequivalent as determined by the Food and Drug Administration; and

(3) are sold or marketed in Minnesota.

"Innovator multisource drug" means a multisource drug that was originally marketed under an original new drug application approved by the Food and Drug Administration.

~~(e) The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria and on cost before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:~~

~~(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;~~

~~(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days;~~

~~(3) the drug formulary committee must consider data from the state Medicaid program if such data is available; and~~

~~(4) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and on program costs, and information regarding whether the drug is subject to clinical abuse or misuse.~~

~~Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. If prior authorization of a drug is required by the commissioner, the commissioner must provide a 30-day notice period before implementing the prior authorization. If a prior authorization request is denied by the department, the recipient may appeal the denial in accordance with section 256.045. If an appeal is filed, the drug must be provided without prior authorization until a decision is made on the appeal.~~

~~(f) (g) The basis for determining the amount of payment for drugs administered in an outpatient setting shall be the lower of the usual and customary cost submitted by the provider; the average wholesale price minus five percent; or the maximum allowable cost set by the federal government under United States Code, title 42, chapter 7, section 1396r-8(e), and Code of Federal Regulations, title 42, section 447.332, or by the commissioner under paragraph (c).~~

~~(g) Prior authorization shall not be required or utilized for any antipsychotic drug prescribed for the treatment of mental illness where there is no generically equivalent drug available unless the commissioner determines that prior authorization is necessary for patient safety. This paragraph applies to any supplemental drug rebate program established or administered by the commissioner.~~

~~(h) Prior authorization shall not be required or utilized for any antihemophilic factor drug prescribed for the treatment of hemophilia and blood disorders where there is no generically equivalent drug available unless the commissioner determines that prior authorization is necessary for patient safety. This paragraph applies to any supplemental drug rebate program established or administered by the commissioner. This paragraph expires July 1, 2003.~~

Sec. 5. Minnesota Statutes 2002, section 256B.0625, subdivision 17, is amended to read:

Subd. 17. [TRANSPORTATION COSTS.] (a) Medical assistance covers transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by nonambulatory persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this subdivision, a person who is incapable of transport by taxicab or bus shall be considered to be nonambulatory.

(b) Medical assistance covers special transportation, as defined in Minnesota Rules, part 9505.0315, subpart 1, item F, if the provider receives and maintains a current physician's order by the recipient's attending physician certifying that the recipient has a physical or mental impairment that would prohibit the recipient from safely accessing and using a bus, taxi, other commercial transportation, or private automobile and the recipient: (1) requires a wheelchair-accessible van or a stretcher-accessible vehicle; or (2) does not require a wheelchair-accessible van or a stretcher-accessible vehicle but: (i) resides in a facility licensed by or registered with the commissioner of human services or the commissioner of health; or (ii) needs special transportation service to access dialysis or radiation therapy services. Individuals certified as needing a wheelchair-accessible van or a stretcher-accessible vehicle must have the physician certification renewed every three years. All other individuals must have the physician certification renewed annually. Special transportation includes driver-assisted service to eligible individuals. Driver-assisted service includes passenger pickup at and return to the individual's residence or place of business, assistance with admittance of the individual to the medical facility, and assistance in passenger securement or in securing of wheelchairs or stretchers in the vehicle. ~~The commissioner shall establish maximum medical assistance reimbursement rates for special transportation services for persons who need a wheelchair-accessible van or stretcher-accessible vehicle and for those who do not need a wheelchair-accessible van or stretcher-accessible vehicle. The average of these two rates per trip must not exceed \$15 for the base rate and \$1.40 per mile. Special transportation provided to nonambulatory persons who do not need a~~

~~wheelchair-accessible van or stretcher-accessible vehicle, may be reimbursed at a lower rate than special transportation provided to persons who need a wheelchair-accessible van or stretcher-accessible vehicle.~~ The maximum medical assistance reimbursement rates for special transportation services are:

(1) \$18 for the base rate and \$1.40 per mile for services to persons who need a wheelchair-accessible van;

(2) \$36 for the base rate and \$1.40 per mile for services to persons who need a stretcher-accessible vehicle;

(3) \$9 per trip for the attendant rate for wheelchair-accessible vans or stretcher-accessible vehicles; and

(4) \$12 for the base rate and \$1.40 per mile for services provided to persons who do not need a wheelchair-accessible van or stretcher-accessible vehicle.

(c) In order to receive reimbursement under this subdivision, all providers must maintain a daily log book that is signed by an authorized representative of the emergency or nonemergency medical facility to which an individual is transported. The log book must list the date and time the nonambulatory person is received at the medical facility. All log books must be retained for at least five years. All providers of special transportation services must use a commercially available computer mapping software program selected by the commissioner to calculate mileage for purposes of reimbursement under this subdivision.

(d) A provider may not receive reimbursement under this subdivision for providing transportation solely for the purpose of transporting an individual to a pharmacy. A provider may receive reimbursement for transporting an individual to a pharmacy if the visit occurs following a visit to a medical facility at which a prescription was provided. A special transportation provider may not receive reimbursement under this subdivision for transporting a child to school, unless the special transportation service is needed to obtain nonemergency medical care at the school and a less costly alternative form of transportation is not available.

(e) The medical assistance benefit plan shall include a \$1 co-payment for special transportation services provided to individuals who do not need a wheelchair-accessible van or stretcher-accessible vehicle, effective for services provided on or after October 1, 2003. Recipients of medical assistance are responsible for all co-payments in this subdivision. Co-payments shall be subject to the following exceptions:

(1) children under the age of 21;

(2) pregnant women for services that relate to the pregnancy or any other medical condition that may complicate the pregnancy;

(3) recipients expected to reside for at least 30 days in a hospital, nursing home, or intermediate care facility for the mentally retarded;

(4) recipients receiving hospice care;

(5) 100 percent federally funded services provided by an Indian health service;

(6) services that are paid by Medicare, resulting in the medical assistance program paying for the coinsurance and deductible; and

(7) co-payments that exceed one per day per provider.

The medical assistance reimbursement to the provider shall be reduced by the amount of the co-payment. The provider collects the co-payment from the recipient. Providers may not deny services to individuals who are unable to pay the co-payment. Providers must accept an assertion from the recipient that they are unable to pay.

(f) The commissioner is prohibited from using a broker or coordinator to manage special transportation services.

Sec. 6. Minnesota Statutes 2002, section 256B.0625, is amended by adding a subdivision to read:

Subd. 45. [LIST OF HEALTH CARE SERVICES NOT ELIGIBLE FOR COVERAGE.] (a) The commissioner of human services, in consultation with the commissioner of health, shall biennially establish a list of diagnosis/treatment pairings that are not eligible for reimbursement under chapters 256B, 256D, and 256L, effective for services provided on or after July 1, 2005. The commissioner shall review the list in effect for the prior biennium and shall make any additions or deletions from the list as appropriate taking into consideration the following:

- (1) scientific and medical information;
- (2) clinical assessment;
- (3) cost-effectiveness of treatment;
- (4) prevention of future costs; and
- (5) medical ineffectiveness.

(b) The commissioner may appoint an ad hoc advisory panel made up of physicians, consumers, nurses, dentists, and other experts to assist the commissioner in reviewing and establishing the list. The commissioner shall solicit comments and recommendations from any interested persons and organizations and shall schedule at least one public hearing.

(c) The list must be established by October 1 of the even-numbered years beginning October 1, 2004. The commissioner shall publish the list in the State Register by November 1 of the even-numbered years beginning November 1, 2004. The list shall be submitted to the legislature by January 15 of the odd-numbered years beginning January 15, 2005.

Sec. 7. Minnesota Statutes 2002, section 256B.195, subdivision 4, is amended to read:

Subd. 4. [ADJUSTMENTS PERMITTED.] (a) The commissioner may adjust the intergovernmental transfers under subdivision 2 and the payments under subdivision 3, and payments and transfers under subdivision 5, based on the commissioner's determination of Medicare upper payment limits, hospital-specific charge limits, and hospital-specific limitations on disproportionate share payments. Any adjustments must be made on a proportional basis. If participation by a particular hospital under this section is limited, the commissioner shall adjust the payments that relate to that hospital under subdivisions 2, 3, and 5 on a proportional basis in order to allow the hospital to participate under this section to the fullest extent possible and shall increase other payments under subdivisions 2, 3, and 5 to the extent allowable to maintain the overall level of payments under this section. The commissioner may make adjustments under this subdivision only after consultation with the counties and hospitals identified in subdivisions 2 and 3, and, if subdivision 5 receives federal approval, with the hospital and educational institution identified in subdivision 5.

(b) The ratio of medical assistance payments specified in subdivision 3 to the intergovernmental transfers specified in subdivision 2 shall not be reduced except as provided under paragraph (a).

(c) The increases in intergovernmental transfers and payments that result from section 62J.692, subdivision 8, paragraph (b), shall be allocated for

Sec. 8. Minnesota Statutes 2002, section 256L.06, subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES AND PAYMENT.] (a) Premiums are dedicated to the commissioner for MinnesotaCare.

(b) The commissioner shall develop and implement procedures to: (1) require enrollees to report changes in income; (2) adjust sliding scale premium payments, based upon changes in enrollee income; and (3) disenroll enrollees from MinnesotaCare for failure to pay required

premiums; and (4) collect the premiums from employers choosing to participate in the employer-subsidized coverage exemption as described in section 256L.15, subdivision 4. Failure to pay includes payment with a dishonored check, a returned automatic bank withdrawal, or a refused credit card or debit card payment. The commissioner may demand a guaranteed form of payment, including a cashier's check or a money order, as the only means to replace a dishonored, returned, or refused payment.

(c) Premiums are calculated on a calendar month basis and may be paid on a monthly, quarterly, or annual basis, with the first payment due upon notice from the commissioner of the premium amount required. The commissioner shall inform applicants and enrollees of these premium payment options. Premium payment is required before enrollment is complete and to maintain eligibility in MinnesotaCare. Premium payments received before noon are credited the same day. Premium payments received after noon are credited on the next working day.

(d) Nonpayment of the premium will result in disenrollment from the plan effective for the calendar month for which the premium was due. Persons disenrolled for nonpayment or who voluntarily terminate coverage from the program may not reenroll until four calendar months have elapsed. Persons disenrolled for nonpayment who pay all past due premiums as well as current premiums due, including premiums due for the period of disenrollment, within 20 days of disenrollment, shall be reenrolled retroactively to the first day of disenrollment. Persons disenrolled for nonpayment or who voluntarily terminate coverage from the program may not reenroll for four calendar months unless the person demonstrates good cause for nonpayment. Good cause does not exist if a person chooses to pay other family expenses instead of the premium. The commissioner shall define good cause in rule.

Sec. 9. Minnesota Statutes 2002, section 256L.07, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] (a) Children enrolled in the original children's health plan as of September 30, 1992, children who enrolled in the MinnesotaCare program after September 30, 1992, pursuant to Laws 1992, chapter 549, article 4, section 17, and children who have family gross incomes that are equal to or less than 175 percent of the federal poverty guidelines are eligible without meeting the requirements of subdivision 2, as long as they maintain continuous coverage in the MinnesotaCare program or medical assistance or they meet the requirements of subdivision 5. ~~Children who apply for MinnesotaCare on or after the implementation date of the employer-subsidized health coverage program as described in Laws 1998, chapter 407, article 5, section 45, who have family gross incomes that are equal to or less than 175 percent of the federal poverty guidelines, must meet the requirements of subdivision 2 to be eligible for MinnesotaCare.~~

(b) Families enrolled in MinnesotaCare under section 256L.04, subdivision 1, whose income increases above 275 percent of the federal poverty guidelines, are no longer eligible for the program and shall be disenrolled by the commissioner. Individuals enrolled in MinnesotaCare under section 256L.04, subdivision 7, whose income increases above 175 percent of the federal poverty guidelines are no longer eligible for the program and shall be disenrolled by the commissioner. For persons disenrolled under this subdivision, MinnesotaCare coverage terminates the last day of the calendar month following the month in which the commissioner determines that the income of a family or individual exceeds program income limits.

(c) Notwithstanding paragraph (b), individuals and families may remain enrolled in MinnesotaCare if ten percent of their annual income is less than the annual premium for a policy with a \$500 deductible available through the Minnesota comprehensive health association. Individuals and families who are no longer eligible for MinnesotaCare under this subdivision shall be given an 18-month notice period from the date that ineligibility is determined before disenrollment.

Sec. 10. Minnesota Statutes 2002, section 256L.07, subdivision 3, is amended to read:

Subd. 3. [OTHER HEALTH COVERAGE.] (a) Families and individuals enrolled in the MinnesotaCare program must have no health coverage while enrolled or for at least four months prior to application and renewal. Children enrolled in the original children's health plan and

children in families with income equal to or less than 175 150 percent of the federal poverty guidelines, who have other health insurance, are eligible if the coverage:

- (1) lacks two or more of the following:
 - (i) basic hospital insurance;
 - (ii) medical-surgical insurance;
 - (iii) prescription drug coverage;
 - (iv) dental coverage; or
 - (v) vision coverage;
- (2) requires a deductible of \$100 or more per person per year; or
- (3) lacks coverage because the child has exceeded the maximum coverage for a particular diagnosis or the policy excludes a particular diagnosis.

The commissioner may change this eligibility criterion for sliding scale premiums in order to remain within the limits of available appropriations. The requirement of no health coverage does not apply to newborns.

(b) Medical assistance, general assistance medical care, and the Civilian Health and Medical Program of the Uniformed Service, CHAMPUS, or other coverage provided under United States Code, title 10, subtitle A, part II, chapter 55, are not considered insurance or health coverage for purposes of the four-month requirement described in this subdivision.

(c) For purposes of this subdivision, Medicare Part A or B coverage under title XVIII of the Social Security Act, United States Code, title 42, sections 1395c to 1395w-4, is considered health coverage. An applicant or enrollee may not refuse Medicare coverage to establish eligibility for MinnesotaCare.

(d) Applicants who were recipients of medical assistance or general assistance medical care within one month of application must meet the provisions of this subdivision and subdivision 2.

Sec. 11. Minnesota Statutes 2002, section 256L.07, is amended by adding a subdivision to read:

Subd. 5. [EMPLOYER-SUBSIDIZED COVERAGE EXEMPTION.] Children in families with family gross income equal to or less than 170 percent of the federal poverty guidelines who have access to employer-subsidized coverage as defined in subdivision 2 are eligible for MinnesotaCare without meeting the requirements of subdivision 2 if the following requirements are met:

- (1) all eligibility requirements except for the requirements of subdivision 2 are met by the child;
- (2) any premiums owed as determined under section 256L.15 are paid in accordance with section 256L.06; and
- (3) the employer meets the requirements described in section 256L.15, subdivision 4.

Sec. 12. Minnesota Statutes 2002, section 256L.15, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS TO SLIDING SCALE.] An annual premium of \$48 is required for all children in families with income at or less than 175 150 percent of federal poverty guidelines.

Sec. 13. Minnesota Statutes 2002, section 256L.15, is amended by adding a subdivision to read:

Subd. 4. [EMPLOYER-SUBSIDIZED INSURANCE EXCEPTION.] Any employer of a parent of a child who may be eligible for MinnesotaCare under section 256L.07, subdivision 5, must choose to contribute 25 percent of the total cost of the coverage as calculated under subdivision 2 for the child to be eligible for MinnesotaCare in accordance with section 256L.07, subdivision 5. Any employer who chooses to participate must pay the premium owed to the commissioner in accordance with section 256L.06.

Sec. 14. Minnesota Statutes 2002, section 295.53, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTIONS.] (a) The following payments are excluded from the gross revenues subject to the hospital, surgical center, or health care provider taxes under sections 295.50 to 295.57:

(1) payments received for services provided under the Medicare program, including payments received from the government, and organizations governed by sections 1833 and 1876 of title XVIII of the federal Social Security Act, United States Code, title 42, section 1395, and enrollee deductibles, coinsurance, and co-payments, whether paid by the Medicare enrollee or by a Medicare supplemental coverage as defined in section 62A.011, subdivision 3, clause (10). Payments for services not covered by Medicare are taxable;

~~(2) medical assistance payments including payments received directly from the government or from a prepaid plan;~~

~~(3) payments received for home health care services;~~

(4) ~~(3)~~ payments received from hospitals or surgical centers for goods and services on which liability for tax is imposed under section 295.52 or the source of funds for the payment is exempt under clause (1), ~~(2), (7), (8), (10)~~ (7), ~~(13)~~ (10), or ~~(20)~~ (17);

~~(5)~~ (4) payments received from health care providers for goods and services on which liability for tax is imposed under this chapter or the source of funds for the payment is exempt under clause (1), ~~(2), (7), (8), (10)~~ (7), ~~(13)~~ (10), or ~~(20)~~ (17);

~~(6)~~ (5) amounts paid for legend drugs, other than nutritional products, to a wholesale drug distributor who is subject to tax under section 295.52, subdivision 3, reduced by reimbursements received for legend drugs otherwise exempt under this chapter;

~~(7) payments received under the general assistance medical care program including payments received directly from the government or from a prepaid plan;~~

~~(8) payments received for providing services under the MinnesotaCare program including payments received directly from the government or from a prepaid plan and enrollee deductibles, coinsurance, and copayments. For purposes of this clause, coinsurance means the portion of payment that the enrollee is required to pay for the covered service;~~

~~(9)~~ (6) payments received by a health care provider or the wholly owned subsidiary of a health care provider for care provided outside Minnesota;

~~(10)~~ (7) payments received from the chemical dependency fund under chapter 254B;

~~(11)~~ (8) payments received in the nature of charitable donations that are not designated for providing patient services to a specific individual or group;

~~(12)~~ (9) payments received for providing patient services incurred through a formal program of health care research conducted in conformity with federal regulations governing research on human subjects. Payments received from patients or from other persons paying on behalf of the patients are subject to tax;

~~(13)~~ (10) payments received from any governmental agency for services benefiting the public, not including payments made by the government in its capacity as an employer or insurer;

~~(14)~~ (11) payments received for services provided by community residential mental health facilities licensed under Minnesota Rules, parts 9520.0500 to 9520.0690, community support programs and family community support programs approved under Minnesota Rules, parts 9535.1700 to 9535.1760, and community mental health centers as defined in section 245.62, subdivision 2;

~~(15)~~ (12) government payments received by a regional treatment center;

(16) (13) payments received for hospice care services;

(17) (14) payments received by a health care provider for hearing aids and related equipment or prescription eyewear delivered outside of Minnesota;

(18) (15) payments received by an educational institution from student tuition, student activity fees, health care service fees, government appropriations, donations, or grants. Fee for service payments and payments for extended coverage are taxable;

(19) (16) payments received for services provided by: assisted living programs and congregate housing programs; and

(20) (17) payments received under the federal Employees Health Benefits Act, United States Code, title 5, section 8909(f), as amended by the Omnibus Reconciliation Act of 1990.

(b) Payments received by wholesale drug distributors for legend drugs sold directly to veterinarians or veterinary bulk purchasing organizations are excluded from the gross revenues subject to the wholesale drug distributor tax under sections 295.50 to 295.59.

Sec. 15. Minnesota Statutes 2002, section 297I.15, subdivision 1, is amended to read:

Subdivision 1. [GOVERNMENT PAYMENTS.] Premiums under ~~medical assistance, general assistance medical care, the MinnesotaCare program, and the Minnesota comprehensive health insurance plan~~ and all payments, revenues, and reimbursements received from the federal government for Medicare-related coverage as defined in section 62A.31, subdivision 3, are not subject to tax under this chapter.

Sec. 16. Minnesota Statutes 2002, section 297I.15, subdivision 4, is amended to read:

Subd. 4. [PREMIUMS PAID TO HEALTH CARRIERS BY STATE.] A health carrier as defined in section 62A.011 is exempt from the taxes imposed under this chapter on premiums paid to it by the state. Premiums paid by the state under medical assistance, general assistance medical care, and the MinnesotaCare program are not exempt under this subdivision.

Sec. 17. [LIMITING COVERAGE OF HEALTH CARE SERVICES FOR MEDICAL ASSISTANCE, GENERAL ASSISTANCE MEDICAL CARE, AND MINNESOTACARE PROGRAMS.]

Subdivision 1. [GENERAL ASSISTANCE MEDICAL CARE AND MINNESOTACARE.] (a) Effective July 1, 2003, the diagnosis/treatment pairings described in subdivision 3 shall not be covered under the general assistance medical care program and under the MinnesotaCare program for persons eligible under Minnesota Statutes, section 256L.04, subdivision 7.

(b) This subdivision expires July 1, 2005.

Subd. 2. [PRIOR AUTHORIZATION OF SERVICES FOR MEDICAL ASSISTANCE.] (a) Effective July 1, 2003, prior authorization shall be required for the diagnosis/treatment pairings described in subdivision 3 for reimbursement under Minnesota Statutes, chapter 256B, and under the MinnesotaCare program for persons eligible under Minnesota Statutes, section 256L.04, subdivision 1.

(b) This subdivision expires July 1, 2005.

Subd. 3. [LIST OF DIAGNOSIS/TREATMENT PAIRINGS.] (a)(1) Diagnosis: TRIGEMINAL AND OTHER NERVE DISORDERS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 350,352

(2) Diagnosis: DISRUPTIONS OF THE LIGAMENTS AND TENDONS OF THE ARMS AND LEGS, EXCLUDING THE KNEE, GRADE II AND III

Treatment: REPAIR

ICD-9: 726.5, 727.59, 727.62-727.65, 727.68-727.69, 728.83, 728.89, 840.0-840.3, 840.5-840.9, 841-843, 845.0

(3) Diagnosis: DISORDERS OF SHOULDER

Treatment: REPAIR/RECONSTRUCTION

ICD-9: 718.01, 718.11, 718.21, 718.31, 718.41, 718.51, 718.81, 726.0, 726.10-726.11, 726.19, 726.2, 727.61, 840.4, 840.7

(4) Diagnosis: INTERNAL DERANGEMENT OF KNEE AND LIGAMENTOUS DISRUPTIONS OF THE KNEE, GRADE II AND III

Treatment: REPAIR, MEDICAL THERAPY

ICD-9: 717.0-717.4, 717.6-717.8, 718.26, 718.36, 718.46, 718.56, 727.66, 836.0-836.2, 844

(5) Diagnosis: MALUNION AND NONUNION OF FRACTURE

Treatment: SURGICAL TREATMENT

ICD-9: 733.8

(6) Diagnosis: FOREIGN BODY IN UTERUS, VULVA AND VAGINA

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 939.1-939.2

(7) Diagnosis: UTERINE PROLAPSE; CYSTOCELE

Treatment: SURGICAL REPAIR

ICD-9: 618

(8) Diagnosis: OSTEOARTHRITIS AND ALLIED DISORDERS

Treatment: MEDICAL THERAPY, INJECTIONS

ICD-9: 713.5, 715, 716.0-716.1, 716.5-716.6

(9) Diagnosis: METABOLIC BONE DISEASE

Treatment: MEDICAL THERAPY

ICD-9: 731.0, 733.0

(10) Diagnosis: SYMPTOMATIC IMPACTED TEETH

Treatment: SURGERY

ICD-9: 520.6, 524.3-524.4

(11) Diagnosis: UNSPECIFIED DISEASE OF HARD TISSUES OF TEETH (AVULSION)

Treatment: INTERDENTAL WIRING

ICD-9: 525.9

(12) Diagnosis: ABSCESSES AND CYSTS OF BARTHOLIN'S GLAND AND VULVA

Treatment: INCISION AND DRAINAGE, MEDICAL THERAPY

ICD-9: 616.2-616.9

(13) Diagnosis: CERVICITIS, ENDOCERVICITIS, HEMATOMA OF VULVA, AND NONINFLAMMATORY DISORDERS OF THE VAGINA

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 616.0, 623.6, 623.8-623.9, 624.5

(14) Diagnosis: DENTAL CONDITIONS (e.g., TOOTH LOSS)

Treatment: SPACE MAINTENANCE AND PERIODONTAL MAINTENANCE

ICD-9: V72.2

(15) Diagnosis: URINARY INCONTINENCE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 599.81, 625.6, 788.31-788.33

(16) Diagnosis: HYPOSPADIAS AND EPISPADIAS

Treatment: REPAIR

ICD-9: 752.6

(17) Diagnosis: RESIDUAL FOREIGN BODY IN SOFT TISSUE

Treatment: REMOVAL

ICD-9: 374.86, 729.6, 883.1-883.2

(18) Diagnosis: BRANCHIAL CLEFT CYST

Treatment: EXCISION, MEDICAL THERAPY

ICD-9: 744.41-744.46, 744.49, 759.2

(19) Diagnosis: EXFOLIATION OF TEETH DUE TO SYSTEMIC CAUSES; SPECIFIC DISORDERS OF THE TEETH AND SUPPORTING STRUCTURES

Treatment: EXCISION OF DENTOALVEOLAR STRUCTURE

ICD-9: 525.0, 525.8, 525.11

(20) Diagnosis: PTOSIS (ACQUIRED) WITH VISION IMPAIRMENT

Treatment: PTOSIS REPAIR

ICD-9: 374.2-374.3, 374.41, 374.43, 374.46

(21) Diagnosis: SIMPLE AND SOCIAL PHOBIAS

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 300.23, 300.29

(22) Diagnosis: RETAINED DENTAL ROOT

Treatment: EXCISION OF DENTOALVEOLAR STRUCTURE

ICD-9: 525.3

(23) Diagnosis: PERIPHERAL NERVE ENTRAPMENT

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 354.0, 354.2, 355.5, 723.3, 728.6

(24) Diagnosis: INCONTINENCE OF FECES

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 787.6

(25) Diagnosis: RECTAL PROLAPSE

Treatment: PARTIAL COLECTOMY

ICD-9: 569.1-569.2

(26) Diagnosis: BENIGN NEOPLASM OF KIDNEY AND OTHER URINARY ORGANS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 223

(27) Diagnosis: URETHRAL FISTULA

Treatment: EXCISION, MEDICAL THERAPY

ICD-9: 599.1-599.2, 599.4

(28) Diagnosis: THROMBOSED AND COMPLICATED HEMORRHOIDS

Treatment: HEMORRHOIDECTOMY, INCISION

ICD-9: 455.1-455.2, 455.4-455.5, 455.7-455.8

(29) Diagnosis: VAGINITIS, TRICHOMONIASIS

Treatment: MEDICAL THERAPY

ICD-9: 112.1, 131, 616.1, 623.5

(30) Diagnosis: BALANOPOSTHITIS AND OTHER DISORDERS OF PENIS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 607.1, 607.81-607.83, 607.89

(31) Diagnosis: CHRONIC ANAL FISSURE; ANAL FISTULA

Treatment: SPHINCTEROTOMY, FISSURECTOMY, FISTULECTOMY, MEDICAL THERAPY

ICD-9: 565.0-565.1

(32) Diagnosis: CHRONIC OTITIS MEDIA

Treatment: PE TUBES/ADENOIDECTOMY/TYMPANOPLASTY, MEDICAL THERAPY

ICD-9: 380.5, 381.1-381.8, 382.1-382.3, 382.9, 383.1-383.2, 383.30-383.31, 383.9, 384.2, 384.8-384.9

(33) Diagnosis: ACUTE CONJUNCTIVITIS

Treatment: MEDICAL THERAPY

ICD-9: 077, 372.00

(34) Diagnosis: CERUMEN IMPACTION, FOREIGN BODY IN EAR & NOSE

Treatment: REMOVAL OF FOREIGN BODY

ICD-9: 380.4, 931-932

(35) Diagnosis: VERTIGINOUS SYNDROMES AND OTHER DISORDERS OF VESTIBULAR SYSTEM

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 379.54, 386.1-386.2, 386.4-386.9, 438.6-438.7, 438.83-438.85

(36) Diagnosis: UNSPECIFIED URINARY OBSTRUCTION AND BENIGN PROSTATIC HYPERPLASIA WITHOUT OBSTRUCTION

Treatment: MEDICAL THERAPY

ICD-9: 599.6, 600

(37) Diagnosis: PHIMOSIS

Treatment: SURGICAL TREATMENT

ICD-9: 605

(38) Diagnosis: CONTACT DERMATITIS, ATOPIC DERMATITIS AND OTHER ECZEMA

Treatment: MEDICAL THERAPY

ICD-9: 691.8, 692.0-692.6, 692.70-692.74, 692.79, 692.8-692.9

(39) Diagnosis: PSORIASIS AND SIMILAR DISORDERS

Treatment: MEDICAL THERAPY

ICD-9: 696.1-696.2, 696.8

(40) Diagnosis: CYSTIC ACNE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 705.83, 706.0-706.1

(41) Diagnosis: CLOSED FRACTURE OF GREAT TOE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 826.0

(42) Diagnosis: SYMPTOMATIC URTICARIA

Treatment: MEDICAL THERAPY

ICD-9: 708.0-708.1, 708.5, 708.8, 995.7

(43) Diagnosis: PERIPHERAL NERVE DISORDERS

Treatment: SURGICAL TREATMENT

ICD-9: 337.2, 353, 354.1, 354.3-354.9, 355.0, 355.3, 355.4, 355.7-355.8, 723.2

(44) Diagnosis: DYSFUNCTION OF NASOLACRIMAL SYSTEM; LACRIMAL SYSTEM LACERATION

Treatment: MEDICAL AND SURGICAL TREATMENT; CLOSURE

ICD-9: 370.33, 375, 870.2

(45) Diagnosis: NASAL POLYPS, OTHER DISORDERS OF NASAL CAVITY AND SINUSES

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 471, 478.1, 993.1

(46) Diagnosis: SIALOLITHIASIS, MUCOCELE, DISTURBANCE OF SALIVARY SECRETION, OTHER AND UNSPECIFIED DISEASES OF SALIVARY GLANDS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 527.5-527.9

(47) Diagnosis: DENTAL CONDITIONS (e.g., BROKEN APPLIANCES)

Treatment: PERIODONTICS AND COMPLEX PROSTHETICS

ICD-9: 522.6, 522.8, V72.2

(48) Diagnosis: IMPULSE DISORDERS

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 312.31-312.39

(49) Diagnosis: BENIGN NEOPLASM BONE AND ARTICULAR CARTILAGE, INCLUDING OSTEOID OSTEOMAS; BENIGN NEOPLASM OF CONNECTIVE AND OTHER SOFT TISSUE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 213, 215, 526.0-526.1, 526.81, 719.2, 733.2

(50) Diagnosis: SEXUAL DYSFUNCTION

Treatment: MEDICAL AND SURGICAL TREATMENT, PSYCHOTHERAPY

ICD-9: 302.7, 607.84

(51) Diagnosis: STOMATITIS AND DISEASES OF LIPS

Treatment: INCISION AND DRAINAGE/MEDICAL THERAPY

ICD-9: 528.0, 528.5, 528.9, 529.0

(52) Diagnosis: BELL'S PALSY, EXPOSURE KERATOCONJUNCTIVITIS

Treatment: TARSORRHAPHY

ICD-9: 351.0-351.1, 351.8-351.9, 370.34, 374.44, 374.45, 374.89

(53) Diagnosis: HORDEOLUM AND OTHER DEEP INFLAMMATION OF EYELID; CHALAZION

Treatment: INCISION AND DRAINAGE/MEDICAL THERAPY

ICD-9: 373.11-373.12, 373.2, 374.50, 374.54, 374.56, 374.84

(54) Diagnosis: ECTROPION, TRICHIASIS OF EYELID, BENIGN NEOPLASM OF EYELID

Treatment: ECTROPION REPAIR

ICD-9: 216.1, 224, 372.63, 374.1, 374.85

(55) Diagnosis: CHONDROMALACIA

Treatment: MEDICAL THERAPY

ICD-9: 733.92

(56) Diagnosis: DYSMENORRHEA

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 625.3

(57) Diagnosis: SPASTIC DIPLEGIA

Treatment: RHIZOTOMY

ICD-9: 343.0

(58) Diagnosis: ATROPHY OF EDENTULOUS ALVEOLAR RIDGE

Treatment: VESTIBULOPLASTY, GRAFTS, IMPLANTS

ICD-9: 525.2

(59) Diagnosis: DEFORMITIES OF UPPER BODY AND ALL LIMBSTreatment: REPAIR/REVISION/RECONSTRUCTION/RELOCATION/MEDICAL THERAPYICD-9: 718.02-718.05, 718.13-718.15, 718.42-718.46, 718.52-718.56, 718.65, 718.82-718.86, 728.79, 732.3, 732.6, 732.8-732.9, 733.90-733.91, 736.00-736.04, 736.07, 736.09, 736.1, 736.20, 736.29, 736.30, 736.39, 736.4, 736.6, 736.76, 736.79, 736.89, 736.9, 738.6, 738.8, 754.42-754.44, 754.61, 754.8, 755.50-755.53, 755.56-755.57, 755.59, 755.60, 755.63-755.64, 755.69, 755.8, 756.82-756.83, 756.89(60) Diagnosis: DEFORMITIES OF FOOTTreatment: FASCIOTOMY/INCISION/REPAIR/ARTHRODESISICD-9: 718.07, 718.47, 718.57, 718.87, 727.1, 732.5, 735.0-735.2, 735.3-735.9, 736.70-736.72, 754.50, 754.59, 754.60, 754.69, 754.70, 754.79, 755.65-755.67(61) Diagnosis: PERITONEAL ADHESIONTreatment: SURGICAL TREATMENTICD-9: 568.0, 568.82-568.89, 568.9(62) Diagnosis: PELVIC PAIN SYNDROME, DYSPAREUNIATreatment: MEDICAL AND SURGICAL TREATMENTICD-9: 300.81, 614.1, 614.6, 620.6, 625.0-625.2, 625.5, 625.8-625.9(63) Diagnosis: TENSION HEADACHESTreatment: MEDICAL THERAPYICD-9: 307.81, 784.0(64) Diagnosis: CHRONIC BRONCHITISTreatment: MEDICAL THERAPYICD-9: 490, 491.0, 491.8-491.9(65) Diagnosis: DISORDERS OF FUNCTION OF STOMACH AND OTHER FUNCTIONAL DIGESTIVE DISORDERSTreatment: MEDICAL THERAPYICD-9: 536.0-536.3, 536.8-536.9, 537.1-537.2, 537.5-537.6, 537.89, 537.9, 564.0-564.7, 564.9(66) Diagnosis: TMJ DISORDERTreatment: TMJ SPLINTSICD-9: 524.6, 848.1(67) Diagnosis: URETHRITIS, NONSEXUALLY TRANSMITTEDTreatment: MEDICAL THERAPYICD-9: 597.8, 599.3-599.5, 599.9(68) Diagnosis: LESION OF PLANTAR NERVE; PLANTAR FASCIAL FIBROMATOSISTreatment: MEDICAL THERAPY, EXCISIONICD-9: 355.6, 728.71(69) Diagnosis: GRANULOMA OF MUSCLE, GRANULOMA OF SKIN AND SUBCUTANEOUS TISSUETreatment: REMOVAL OF GRANULOMA

ICD-9: 709.4, 728.82

(70) Diagnosis: DERMATOPHYTOSIS OF NAIL, GROIN, AND FOOT AND OTHER DERMATOMYCOSIS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 110.0-110.6, 110.8-110.9, 111

(71) Diagnosis: INTERNAL DERANGEMENT OF JOINT OTHER THAN KNEE

Treatment: REPAIR, MEDICAL THERAPY

ICD-9: 718.09, 718.19, 718.29, 718.48, 718.59, 718.88-718.89, 719.81-719.85, 719.87-719.89

(72) Diagnosis: STENOSIS OF NASOLACRIMAL DUCT (ACQUIRED)

Treatment: DACRYOCYSTORHINOSTOMY

ICD-9: 375.02, 375.30, 375.32, 375.4, 375.56-375.57, 375.61, 771.6

(73) Diagnosis: PERIPHERAL NERVE DISORDERS

Treatment: SURGICAL TREATMENT

ICD-9: 337.2, 353, 354.1, 354.3-354.9, 355.0, 355.3, 355.4, 355.7-355.8, 723.2

(74) Diagnosis: CAVUS DEFORMITY OF FOOT; FLAT FOOT; POLYDACTYLY AND SYNDACTYLY OF TOES

Treatment: MEDICAL THERAPY, ORTHOTIC

ICD-9: 734, 736.73, 755.00, 755.02, 755.10, 755.13-755.14

(75) Diagnosis: PERIPHERAL ENTHESOPATHIES

Treatment: SURGICAL TREATMENT

ICD-9: 726.12, 726.3-726.9, 728.81

(76) Diagnosis: PERIPHERAL ENTHESOPATHIES

Treatment: MEDICAL THERAPY

ICD-9: 726.12, 726.3-726.4, 726.6-726.9, 728.81

(77) Diagnosis: DISORDERS OF SOFT TISSUE

Treatment: MEDICAL THERAPY

ICD-9: 729.0-729.2, 729.31-729.39, 729.4-729.9

(78) Diagnosis: ENOPHTHALMOS

Treatment: ORBITAL IMPLANT

ICD-9: 372.64, 376.5

(79) Diagnosis: MACROMASTIA

Treatment: SUBCUTANEOUS TOTAL MASTECTOMY, BREAST REDUCTION

ICD-9: 611.1

(80) Diagnosis: GALACTORRHEA, MASTODYNIA, ATROPHY, BENIGN NEOPLASMS AND UNSPECIFIED DISORDERS OF THE BREAST

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 217, 611.3, 611.4, 611.6, 611.71, 611.9, 757.6

(81) Diagnosis: ACUTE AND CHRONIC DISORDERS OF SPINE WITHOUT NEUROLOGIC IMPAIRMENT

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 721.0, 721.2-721.3, 721.7-721.8, 721.90, 722.0-722.6, 722.8-722.9, 723.1, 723.5-723.9, 724.1-724.2, 724.5-724.9, 739, 839.2, 847

(82) Diagnosis: CYSTS OF ORAL SOFT TISSUES

Treatment: INCISION AND DRAINAGE

ICD-9: 527.1, 528.4, 528.8

(83) Diagnosis: FEMALE INFERTILITY, MALE INFERTILITY

Treatment: ARTIFICIAL INSEMINATION, MEDICAL THERAPY

ICD-9: 606, 628.4-628.9, 629.9, V26.1-V26.2, V26.8-V26.9

(84) Diagnosis: INFERTILITY DUE TO ANNOVULATION

Treatment: MEDICAL THERAPY

ICD-9: 626.0-626.1, 628.0, 628.1

(85) Diagnosis: POSTCONCUSSION SYNDROME

Treatment: MEDICAL THERAPY

ICD-9: 310.2

(86) Diagnosis: SIMPLE AND UNSPECIFIED GOITER, NONTOXIC NODULAR GOITER

Treatment: MEDICAL THERAPY, THYROIDECTOMY

ICD-9: 240-241

(87) Diagnosis: CONDUCTIVE HEARING LOSS

Treatment: AUDIANT BONE CONDUCTORS

ICD-9: 389.0, 389.2

(88) Diagnosis: CANCER OF LIVER AND INTRAHEPATIC BILE DUCTS

Treatment: LIVER TRANSPLANT

ICD-9: 155.0-155.1, 996.82

(89) Diagnosis: HYPOTENSION

Treatment: MEDICAL THERAPY

ICD-9: 458

(90) Diagnosis: VIRAL HEPATITIS, EXCLUDING CHRONIC VIRAL HEPATITIS B AND VIRAL HEPATITIS C WITHOUT HEPATIC COMA

Treatment: MEDICAL THERAPY

ICD-9: 070.0-070.2, 070.30-070.31, 070.33, 070.4, 070.52-070.53, 070.59, 070.6-070.9

(91) Diagnosis: BENIGN NEOPLASMS OF SKIN AND OTHER SOFT TISSUES

Treatment: MEDICAL THERAPY

ICD-9: 210, 214, 216, 221, 222.1, 222.4, 228.00-228.01, 228.1, 229, 686.1, 686.9

(92) Diagnosis: REDUNDANT PREPUCE

Treatment: ELECTIVE CIRCUMCISION

ICD-9: 605, V50.2

(93) Diagnosis: BENIGN NEOPLASMS OF DIGESTIVE SYSTEM

Treatment: SURGICAL TREATMENT

ICD-9: 211.0-211.2, 211.5-211.6, 211.8-211.9

(94) Diagnosis: OTHER NONINFECTIOUS GASTROENTERITIS AND COLITIS

Treatment: MEDICAL THERAPY

ICD-9: 558

(95) Diagnosis: FACTITIOUS DISORDERS

Treatment: CONSULTATION

ICD-9: 300.10, 300.16, 300.19, 301.51

(96) Diagnosis: HYPOCHONDRIASIS; SOMATOFORM DISORDER, NOS AND UNDIFFERENTIATED

Treatment: CONSULTATION

ICD-9: 300.7, 300.9, 306

(97) Diagnosis: CONVERSION DISORDER, ADULT

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 300.11

(97) Diagnosis: SPINAL DEFORMITY, NOT CLINICALLY SIGNIFICANT

Treatment: ARTHRODESIS/REPAIR/RECONSTRUCTION, MEDICAL THERAPY

ICD-9: 721.5-721.6, 723.0, 724.0, 731.0, 737.0-737.3, 737.8-737.9, 738.4-738.5, 754.1-754.2, 756.10-756.12, 756.13-756.17, 756.19, 756.3

(98) Diagnosis: ASYMPTOMATIC URTICARIA

Treatment: MEDICAL THERAPY

ICD-9: 708.2-708.4, 708.9

(99) Diagnosis: CIRCUMSCRIBED SCLERODERMA; SENILE PURPURA

Treatment: MEDICAL THERAPY

ICD-9: 287.2, 287.8-287.9, 701.0

(100) Diagnosis: DERMATITIS DUE TO SUBSTANCES TAKEN INTERNALLY

Treatment: MEDICAL THERAPY

ICD-9: 693

(101) Diagnosis: ALLERGIC RHINITIS AND CONJUNCTIVITIS, CHRONIC RHINITIS

Treatment: MEDICAL THERAPY

ICD-9: 372.01-372.05, 372.14, 372.54, 372.56, 472, 477, 955.3, V07.1

(102) Diagnosis: PLEURISY

Treatment: MEDICAL THERAPY

ICD-9: 511.0, 511.9

(103) Diagnosis: CONJUNCTIVAL CYST

Treatment: EXCISION OF CONJUNCTIVAL CYST

ICD-9: 372.61-372.62, 372.71-372.72, 372.74-372.75

(104) Diagnosis: HEMATOMA OF AURICLE OR PINNA AND HEMATOMA OF EXTERNAL EAR

Treatment: DRAINAGE

ICD-9: 380.3, 380.8, 738.7

(105) Diagnosis: ACUTE NONSUPPURATIVE LABYRINTHITIS

Treatment: MEDICAL THERAPY

ICD-9: 386.30-386.32, 386.34-386.35

(106) Diagnosis: INFECTIOUS MONONUCLEOSIS

Treatment: MEDICAL THERAPY

ICD-9: 075

(107) Diagnosis: ASEPTIC MENINGITIS

Treatment: MEDICAL THERAPY

ICD-9: 047-049

(108) Diagnosis: CONGENITAL ANOMALIES OF FEMALE GENITAL ORGANS, EXCLUDING VAGINA

Treatment: SURGICAL TREATMENT

ICD-9: 752.0-752.3, 752.41

(109) Diagnosis: CONGENITAL DEFORMITIES OF KNEE

Treatment: ARTHROSCOPIC REPAIR

ICD-9: 755.64, 727.83

(110) Diagnosis: UNCOMPLICATED HERNIA IN ADULTS AGE 18 OR OVER

Treatment: REPAIR

ICD-9: 550.9, 553.0-553.2, 553.8-553.9

(111) Diagnosis: ACUTE ANAL FISSURE

Treatment: FISSURECTOMY, MEDICAL THERAPY

ICD-9: 565.0

(112) Diagnosis: CYST OF KIDNEY, ACQUIRED

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 593.2

(113) Diagnosis: PICA

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 307.52

(114) Diagnosis: DISORDERS OF SLEEP WITHOUT SLEEP APNEA

Treatment: MEDICAL THERAPY

ICD-9: 307.41-307.45, 307.47-307.49, 780.50, 780.52, 780.54-780.56, 780.59

(115) Diagnosis: CYST, HEMORRHAGE, AND INFARCTION OF THYROID

Treatment: SURGERY - EXCISION

ICD-9: 246.2, 246.3, 246.9

(116) Diagnosis: DEVIATED NASAL SEPTUM, ACQUIRED DEFORMITY OF NOSE, OTHER DISEASES OF UPPER RESPIRATORY TRACT

Treatment: EXCISION OF CYST/RHINECTOMY/PROSTHESIS

ICD-9: 470, 478.0, 738.0, 754.0

(117) Diagnosis: ERYTHEMA MULTIFORM

Treatment: MEDICAL THERAPY

ICD-9: 695.1

(118) Diagnosis: HERPES SIMPLEX WITHOUT COMPLICATIONS

Treatment: MEDICAL THERAPY

ICD-9: 054.2, 054.6, 054.73, 054.9

(119) Diagnosis: CONGENITAL ANOMALIES OF THE EAR WITHOUT IMPAIRMENT OF HEARING; UNILATERAL ANOMALIES OF THE EAR

Treatment: OTOPLASTY, REPAIR AND AMPUTATION

ICD-9: 744.00-744.04, 744.09, 744.1-744.3

(120) Diagnosis: BLEPHARITIS

Treatment: MEDICAL THERAPY

ICD-9: 373.0, 373.8-373.9, 374.87

(121) Diagnosis: HYPERTELORISM OF ORBIT

Treatment: ORBITOTOMY

ICD-9: 376.41

(122) Diagnosis: INFERTILITY DUE TO TUBAL DISEASE

Treatment: MICROSURGERY

ICD-9: 608.85, 622.5, 628.2-628.3, 629.9, V26.0

(123) Diagnosis: KERATODERMA, ACANTHOSIS NIGRICANS, STRIAE ATROPHICAE, AND OTHER HYPERTROPHIC OR ATROPHIC CONDITIONS OF SKIN

Treatment: MEDICAL THERAPY

ICD-9: 373.3, 690, 698, 701.1-701.3, 701.8, 701.9

(124) Diagnosis: LICHEN PLANUS

Treatment: MEDICAL THERAPY

ICD-9: 697

(125) Diagnosis: OBESITY

Treatment: NUTRITIONAL AND LIFE STYLE COUNSELING

ICD-9: 278.0

(126) Diagnosis: MORBID OBESITY

Treatment: GASTROPLASTY

ICD-9: 278.01

(127) Diagnosis: CHRONIC DISEASE OF TONSILS AND ADENOIDS

Treatment: TONSILLECTOMY AND ADENOIDECTOMY

ICD-9: 474.0, 474.1-474.2, 474.9

(128) Diagnosis: HYDROCELE

Treatment: MEDICAL THERAPY, EXCISION

ICD-9: 603, 608.84, 629.1, 778.6

(129) Diagnosis: KELOID SCAR; OTHER ABNORMAL GRANULATION TISSUE

Treatment: INTRALESIONAL INJECTIONS/DESTRUCTION/EXCISION, RADIATION THERAPY

ICD-9: 701.4-701.5

(130) Diagnosis: NONINFLAMMATORY DISORDERS OF CERVIX; HYPERTROPHY OF LABIA

Treatment: MEDICAL THERAPY

ICD-9: 622.4, 622.6-622.9, 623.4, 624.2-624.3, 624.6-624.9

(131) Diagnosis: SPRAINS OF JOINTS AND ADJACENT MUSCLES, GRADE I

Treatment: MEDICAL THERAPY

ICD-9: 355.1-355.3, 355.9, 717, 718.26, 718.36, 718.46, 718.56, 836.0-836.2, 840-843, 844.0-844.3, 844.8-844.9, 845.00-845.03, 845.1, 846, 848.3, 848.40-848.42, 848.49, 848.5, 848.8-848.9, 905.7

(132) Diagnosis: SYNOVITIS AND TENOSYNOVITIS

Treatment: MEDICAL THERAPY

ICD-9: 726.12, 727.00, 727.03-727.09

(133) Diagnosis: OTHER DISORDERS OF SYNOVIUM, TENDON AND BURSA, COSTOCHONDRITIS, AND CHONDRODYSTROPHY

Treatment: MEDICAL THERAPY

ICD-9: 719.5-719.6, 719.80, 719.86, 727.2-727.3, 727.50, 727.60, 727.82, 727.9, 733.5-733.7, 756.4

(134) Diagnosis: DISEASE OF NAILS, HAIR, AND HAIR FOLLICLES

Treatment: MEDICAL THERAPY

ICD-9: 703.8-703.9, 704.0, 704.1-704.9, 706.3, 706.9, 757.4-757.5, V50.0

(135) Diagnosis: CANDIDIASIS OF MOUTH, SKIN, AND NAILS

Treatment: MEDICAL THERAPY

ICD-9: 112.0, 112.3, 112.9

(136) Diagnosis: BENIGN LESIONS OF TONGUE

Treatment: EXCISION

ICD-9: 529.1-529.6, 529.8-529.9

(137) Diagnosis: MINOR BURNS

Treatment: MEDICAL THERAPY

ICD-9: 692.76, 941.0-941.2, 942.0-942.2, 943.0-943.2, 944.0-944.2, 945.0-945.2, 946.0-946.2, 949.0-949.1

(138) Diagnosis: MINOR HEAD INJURY: HEMATOMA/EDEMA WITH NO LOSS OF CONSCIOUSNESS

Treatment: MEDICAL THERAPY

ICD-9: 800.00-800.01, 801.00-801.01, 803.00-803.01, 850.0, 850.9, 851.00-851.01, 851.09, 851.20-851.21, 851.29, 851.40-851.41, 851.49, 851.60-851.61, 851.69, 851.80-851.81, 851.89

(139) Diagnosis: CONGENITAL DEFORMITY OF KNEE

Treatment: MEDICAL THERAPY

ICD-9: 755.64

(140) Diagnosis: PHLEBITIS AND THROMBOPHLEBITIS, SUPERFICIAL

Treatment: MEDICAL THERAPY

ICD-9: 451.0, 451.2, 451.82, 451.84, 451.89, 451.9

(141) Diagnosis: PROLAPSED URETHRAL MUCOSA

Treatment: SURGICAL TREATMENT

ICD-9: 599.3, 599.5

(142) Diagnosis: RUPTURE OF SYNOVIUM

Treatment: REMOVAL OF BAKER'S CYST

ICD-9: 727.51

(143) Diagnosis: PERSONALITY DISORDERS, EXCLUDING BORDERLINE, SCHIZOTYPAL AND ANTISOCIAL

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 301.0, 301.10-301.12, 301.20-301.21, 301.3-301.4, 301.50, 301.59, 301.6, 301.81-301.82, 301.84, 301.89, 301.9

(144) Diagnosis: GENDER IDENTIFICATION DISORDER, PARAPHILIAS AND OTHER PSYCHOSEXUAL DISORDERS

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 302.0-302.4, 302.50, 302.6, 302.85, 302.9

(145) Diagnosis: FINGERTIP AVULSION

Treatment: REPAIR WITHOUT PEDICLE GRAFT

ICD-9: 883.0

(146) Diagnosis: ANOMALIES OF RELATIONSHIP OF JAW TO CRANIAL BASE, MAJOR ANOMALIES OF JAW SIZE, OTHER SPECIFIED AND UNSPECIFIED DENTOFACIAL ANOMALIES

Treatment: OSTEOPLASTY, MAXILLA/MANDIBLE

ICD-9: 524.0-524.2, 524.5, 524.7-524.8, 524.9

(147) Diagnosis: CERVICAL RIB
Treatment: SURGICAL TREATMENT
ICD-9: 756.2

(148) Diagnosis: GYNECOMASTIA
Treatment: MASTECTOMY
ICD-9: 611.1

(149) Diagnosis: VIRAL, SELF-LIMITING ENCEPHALITIS, MYELITIS AND ENCEPHALOMYELITIS
Treatment: MEDICAL THERAPY
ICD-9: 056.0, 056.71, 323.8-323.9

(150) Diagnosis: GALLSTONES WITHOUT CHOLECYSTITIS
Treatment: MEDICAL THERAPY, CHOLECYSTECTOMY
ICD-9: 574.2, 575.8

(151) Diagnosis: BENIGN NEOPLASM OF NASAL CAVITIES, MIDDLE EAR AND ACCESSORY SINUSES
Treatment: EXCISION, RECONSTRUCTION
ICD-9: 212.0

(152) Diagnosis: ACUTE TONSILLITIS OTHER THAN BETA-STREPTOCOCCAL
Treatment: MEDICAL THERAPY
ICD-9: 463

(153) Diagnosis: EDEMA AND OTHER CONDITIONS INVOLVING THE INTEGUMENT OF THE FETUS AND NEWBORN
Treatment: MEDICAL THERAPY
ICD-9: 778.5, 778.7-778.9

(154) Diagnosis: ACUTE UPPER RESPIRATORY INFECTIONS AND COMMON COLD
Treatment: MEDICAL THERAPY
ICD-9: 460, 465

(155) Diagnosis: DIAPER RASH
Treatment: MEDICAL THERAPY
ICD-9: 691.0

(156) Diagnosis: DISORDERS OF SWEAT GLANDS
Treatment: MEDICAL THERAPY
ICD-9: 705.0-705.1, 705.81-705.83, 705.89, 705.9, 780.8

(157) Diagnosis: OTHER VIRAL INFECTIONS, EXCLUDING PNEUMONIA DUE TO RESPIRATORY SYNCYTIAL VIRUS IN PERSONS UNDER AGE 3
Treatment: MEDICAL THERAPY
ICD-9: 052, 055, 056.79, 056.8-056.9, 057, 072, 074, 078.0, 078.2, 078.4-078.8, 079.0-079.6, 079.88-079.89, 079.9, 480, 487

(158) Diagnosis: PHARYNGITIS AND LARYNGITIS AND OTHER DISEASES OF VOCAL CORDS

Treatment: MEDICAL THERAPY

ICD-9: 462, 464.00, 464.50, 476, 478.5

(159) Diagnosis: CORNS AND CALLUSES

Treatment: MEDICAL THERAPY

ICD-9: 700

(160) Diagnosis: VIRAL WARTS, EXCLUDING VENEREAL WARTS

Treatment: MEDICAL AND SURGICAL TREATMENT, CRYOSURGERY

ICD-9: 078.0, 078.10, 078.19

(161) Diagnosis: OLD LACERATION OF CERVIX AND VAGINA

Treatment: MEDICAL THERAPY

ICD-9: 621.5, 622.3, 624.4

(162) Diagnosis: TONGUE TIE AND OTHER ANOMALIES OF TONGUE

Treatment: FRENOTOMY, TONGUE TIE

ICD-9: 529.5, 750.0-750.1

(163) Diagnosis: OPEN WOUND OF INTERNAL STRUCTURES OF MOUTH WITHOUT COMPLICATION

Treatment: REPAIR SOFT TISSUES

ICD-9: 525.10, 525.12, 525.13, 525.19, 873.6

(164) Diagnosis: CENTRAL SEROUS RETINOPATHY

Treatment: LASER SURGERY

ICD-9: 362.40-362.41, 362.6-362.7

(165) Diagnosis: SEBORRHEIC KERATOSIS, DYSCHROMIA, AND VASCULAR DISORDERS, SCAR CONDITIONS, AND FIBROSIS OF SKIN

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 278.1, 702.1-702.8, 709.1-709.3, 709.8-709.9

(166) Diagnosis: UNCOMPLICATED HEMORRHOIDS

Treatment: HEMORRHOIDECTOMY, MEDICAL THERAPY

ICD-9: 455.0, 455.3, 455.6, 455.9

(167) Diagnosis: GANGLION

Treatment: EXCISION

ICD-9: 727.02, 727.4

(168) Diagnosis: CHRONIC CONJUNCTIVITIS, BLEPHAROCONJUNCTIVITIS

Treatment: MEDICAL THERAPY

ICD-9: 372.10-372.13, 372.2-372.3, 372.53, 372.73, 374.55

(169) Diagnosis: TOXIC ERYTHEMA, ACNE ROSACEA, DISCOID LUPUS

Treatment: MEDICAL THERAPY

ICD-9: 695.0, 695.2-695.9

(170) Diagnosis: PERIPHERAL NERVE DISORDERS

Treatment: MEDICAL THERAPY

ICD-9: 337.2, 353, 354.1, 354.3-354.9, 355.0, 355.3, 355.7-355.8, 357.5-357.9, 723.2

(171) Diagnosis: OTHER COMPLICATIONS OF A PROCEDURE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 371.82, 457.0, 998.81, 998.9

(172) Diagnosis: RAYNAUD'S SYNDROME

Treatment: MEDICAL THERAPY

ICD-9: 443.0, 443.89, 443.9

(173) Diagnosis: TMJ DISORDERS

Treatment: TMJ SURGERY

ICD-9: 524.5, 524.6, 718.08, 718.18, 718.28, 718.38, 718.58

(174) Diagnosis: VARICOSE VEINS OF LOWER EXTREMITIES WITHOUT ULCER OR INFLAMMATION

Treatment: STRIPPING/SCLEROTHERAPY

ICD-9: 454.9, 459, 607.82

(175) Diagnosis: VULVAL VARICES

Treatment: VASCULAR SURGERY

ICD-9: 456.6

(176) Diagnosis: CHRONIC PANCREATITIS

Treatment: SURGICAL TREATMENT

ICD-9: 577.1

(177) Diagnosis: CHRONIC PROSTATITIS, OTHER DISORDERS OF PROSTATE

Treatment: MEDICAL THERAPY

ICD-9: 601.1, 601.3, 601.9, 602

(178) Diagnosis: MUSCULAR CALCIFICATION AND OSSIFICATION

Treatment: MEDICAL THERAPY

ICD-9: 728.1

(179) Diagnosis: CANCER OF VARIOUS SITES WHERE TREATMENT WILL NOT RESULT IN A FIVE PERCENT FIVE-YEAR SURVIVAL

Treatment: CURATIVE MEDICAL AND SURGICAL TREATMENT

ICD-9: 140-208

(180) Diagnosis: AGENESIS OF LUNG

Treatment: MEDICAL THERAPY

ICD-9: 748.5

(181) Diagnosis: DISEASE OF CAPILLARIES

Treatment: EXCISION

ICD-9: 448.1-448.9

(182) Diagnosis: BENIGN POLYPS OF VOCAL CORDS

Treatment: MEDICAL THERAPY, STRIPPING

ICD-9: 478.4

(183) Diagnosis: FRACTURES OF RIBS AND STERNUM, CLOSED

Treatment: MEDICAL THERAPY

ICD-9: 807.0, 807.2, 805.6, 839.41

(184) Diagnosis: CLOSED FRACTURE OF ONE OR MORE PHALANGES OF THE FOOT, NOT INCLUDING THE GREAT TOE

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 826.0

(185) Diagnosis: DISEASES OF THYMUS GLAND

Treatment: MEDICAL THERAPY

ICD-9: 254

(186) Diagnosis: DENTAL CONDITIONS WHERE TREATMENT RESULTS IN MARGINAL IMPROVEMENT

Treatment: ELECTIVE DENTAL SERVICES

ICD-9: 520.7, V72.2

(187) Diagnosis: ANTISOCIAL PERSONALITY DISORDER

Treatment: MEDICAL/PSYCHOTHERAPY

ICD-9: 301.7

(188) Diagnosis: SEBACEOUS CYST

Treatment: MEDICAL AND SURGICAL THERAPY

ICD-9: 685.1, 706.2, 744.47

(189) Diagnosis: CENTRAL RETINAL ARTERY OCCLUSION

Treatment: PARACENTESIS OF AQUEOUS

ICD-9: 362.31-362.33

(190) Diagnosis: ORAL APHTHAE

Treatment: MEDICAL THERAPY

ICD-9: 528.2

(191) Diagnosis: SUBLINGUAL, SCROTAL, AND PELVIC VARICES

Treatment: VENOUS INJECTION, VASCULAR SURGERY

ICD-9: 456.3-456.5

(192) Diagnosis: SUPERFICIAL WOUNDS WITHOUT INFECTION AND CONTUSIONS

Treatment: MEDICAL THERAPY

ICD-9: 910.0, 910.2, 910.4, 910.6, 910.8, 911.0, 911.2, 911.4, 91.6, 911.8, 912.0, 912.2, 912.4, 912.6, 912.8, 913.0, 913.2, 913.4, 913.6, 913.8, 914.0, 914.2, 914.4, 914.6, 914.8, 915.0, 915.2, 915.4, 915.6, 915.8, 916.0, 916.2, 916.4, 916.6, 916.8, 917.0, 917.2, 917.4, 917.6, 917.8, 919.0, 919.2, 919.4, 919.6, 919.8, 920-924, 959.0-959.8

(193) Diagnosis: UNSPECIFIED RETINAL VASCULAR OCCLUSION

Treatment: LASER SURGERY

ICD-9: 362.30

(194) Diagnosis: BENIGN NEOPLASM OF EXTERNAL FEMALE GENITAL ORGANS

Treatment: EXCISION

ICD-9: 221.1-221.9

(195) Diagnosis: BENIGN NEOPLASM OF MALE GENITAL ORGANS: TESTIS, PROSTATE, EPIDIDYMIS

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 222.0, 222.2, 222.3, 222.8, 222.9

(196) Diagnosis: XEROSIS

Treatment: MEDICAL THERAPY

ICD-9: 706.8

(197) Diagnosis: CONGENITAL CYSTIC LUNG - SEVERE

Treatment: LUNG RESECTION

ICD-9: 748.4

(198) Diagnosis: ICHTHYOSIS

Treatment: MEDICAL THERAPY

ICD-9: 757.1

(199) Diagnosis: LYMPHEDEMA

Treatment: MEDICAL THERAPY, OTHER OPERATION ON LYMPH CHANNEL

ICD-9: 457.1-457.9, 757.0

(200) Diagnosis: DERMATOLOGICAL CONDITIONS WITH NO EFFECTIVE TREATMENT OR NO TREATMENT NECESSARY

Treatment: MEDICAL AND SURGICAL TREATMENT

ICD-9: 696.3-696.5, 709.0, 757.2-757.3, 757.8-757.9

(201) Diagnosis: INFECTIOUS DISEASES WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 071, 136.0, 136.9

(202) Diagnosis: RESPIRATORY CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 519.3, 519.9, 748.60, 748.69, 748.9

(203) Diagnosis: GENITOURINARY CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 593.0-593.1, 593.6, 607.9, 608.3, 608.9, 621.6, 621.8-621.9, 626.9, 629.8, 752.9

(204) Diagnosis: CARDIOVASCULAR CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 429.3, 429.81-429.82, 429.89, 429.9, 747.9

(205) Diagnosis: MUSCULOSKELETAL CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 716.9, 718.00, 718.10, 718.20, 718.40, 718.50, 718.60, 718.80, 718.9, 719.7, 719.9, 728.5, 728.84, 728.9, 731.2, 738.2-738.3, 738.9, 744.5-744.9, 748.1, 755.9, 756.9

(206) Diagnosis: INTRACRANIAL CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 348.2, 377.01, 377.02, 377.2, 377.3, 377.5, 377.7, 437.7-437.8

(207) Diagnosis: SENSORY ORGAN CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 360.30-360.31, 360.33, 362.37, 362.42-362.43, 362.8-362.9, 363.21, 364.5, 364.60, 364.9, 371.20, 371.22, 371.24, 371.3, 371.81, 371.89, 371.9, 372.40-372.42, 372.44-372.45, 372.50-372.52, 372.55, 372.8-372.9, 374.52-374.53, 374.81-374.83, 374.9, 376.82, 376.89, 376.9, 377.03, 377.1, 377.4, 377.6, 379.24, 379.29, 379.4-379.8, 380.9, 747.47

(208) Diagnosis: ENDOCRINE AND METABOLIC CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 251.1-251.2, 259.4, 259.8-259.9, 277.3, 759.1

(209) Diagnosis: GASTROINTESTINAL CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 527.0, 569.9, 573.9

(210) Diagnosis: MENTAL DISORDERS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 313.1, 313.3, 313.83

(211) Diagnosis: NEUROLOGIC CONDITIONS WITH NO EFFECTIVE TREATMENTS OR NO TREATMENT NECESSARY

Treatment: EVALUATION

ICD-9: 333.82, 333.84, 333.91, 333.93

(212) Diagnosis: DENTAL CONDITIONS (e.g., ORTHODONTICS)

Treatment: COSMETIC DENTAL SERVICESICD-9: 520.0-520.5, 520.8-520.9, 521.1-521.9, 522.3, V72.2(213) Diagnosis: TUBAL DYSFUNCTION AND OTHER CAUSES OF INFERTILITYTreatment: IN-VITRO FERTILIZATION, GIFTICD-9: 256(214) Diagnosis: HEPATORENAL SYNDROMETreatment: MEDICAL THERAPYICD-9: 572.4(215) Diagnosis: SPASTIC DYSPHONIATreatment: MEDICAL THERAPYICD-9: 478.79(216) Diagnosis: DISORDERS OF REFRACTION AND ACCOMMODATIONTreatment: RADIAL KERATOTOMYICD-9: 367, 368.1-368.9

(b) The commissioner of human services shall identify the related CPT codes that correspond with the diagnosis/treatment pairings described in this section. The identification of the related CPT codes is not subject to the requirements of Minnesota Statutes, chapter 14.

Subd. 4. [FEDERAL APPROVAL.] The commissioner of human services shall seek federal approval to eliminate medical assistance coverage for the diagnosis/treatment pairings described in subdivision 3.

Sec. 18. [REVIEW OF SPECIAL TRANSPORTATION ELIGIBILITY CRITERIA.]

The commissioner of human services, in consultation with the commissioner of transportation and special transportation service providers, shall review eligibility criteria for medical assistance special transportation services and shall evaluate whether the level of special transportation services provided should be based on the degree of impairment of the client, as well as the medical diagnosis. The commissioner shall present recommendations for changes in the eligibility criteria for special transportation services to the chairs and ranking minority members of the house and senate committees with jurisdiction over health and human services spending by January 15, 2004."

Delete the title and insert:

"A bill for an act relating to human services; changing continuing care provisions; reducing duplicative licensing activities; providing alternative placement for certain offenders with serious and persistent mental illness; modifying medical assistance eligibility standards; modifying pharmaceutical drug reimbursement provisions; establishing a list of health services not eligible for coverage; establishing an employer-subsidized coverage exemption under MinnesotaCare; strengthening provisions on prohibited transfers of certain assets and income; modifying lien provisions; modifying estate claims provisions; establishing a pharmaceutical care demonstration project; modifying reimbursement of transportation costs; modifying child care assistance; modifying children's mental health screening; modifying human services licensing provisions; amending Minnesota Statutes 2002, sections 62J.692, subdivision 8; 119B.011, subdivisions 5, 6, 15, 19, by adding a subdivision; 119B.02, subdivision 1; 119B.03, subdivision 9; 119B.05, subdivision 1; 119B.08, subdivision 3; 119B.09, subdivision 7; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13, subdivisions 2, 6, by adding a subdivision; 119B.19, subdivision 7; 119B.21, subdivision 11; 119B.23, subdivision 3; 144.057, subdivision 1; 144.50, subdivision 6; 244.05, by adding a subdivision; 245.4874; 245A.02, subdivision 14, by adding a subdivision;

245A.03, subdivision 2, by adding a subdivision; 245A.09, subdivision 7; 245A.10; 245A.11, by adding a subdivision; 245B.01; 245B.02, subdivision 13; 245B.03, subdivisions 1, 2, by adding a subdivision; 245B.06, subdivisions 2, 5; 245B.07, subdivisions 6, 9; 245B.08, subdivision 1; 252.27, subdivision 1; 252.28, subdivision 2; 252.291, subdivisions 1, 2a; 252.32, subdivisions 1, 1a, 3, 3c; 253B.05, by adding a subdivision; 256.01, subdivision 2; 256.046, subdivision 1; 256.0471, subdivision 1; 256.98, subdivision 8; 256B.055, subdivision 12; 256B.057, subdivision 2; 256B.0595, subdivisions 1, 2, by adding subdivisions; 256B.0621, subdivision 4; 256B.0623, subdivisions 2, 4, 5, 6, 8; 256B.0625, subdivisions 13, 17, 19c, by adding subdivisions; 256B.0627, subdivisions 1, 4, 9; 256B.0911, subdivision 4d; 256B.0915, by adding a subdivision; 256B.092, subdivision 5; 256B.15, subdivisions 1, 1a, 2, 3, 4, by adding subdivisions; 256B.195, subdivision 4; 256B.47, subdivision 2; 256B.69, subdivision 5a; 256L.06, subdivision 3; 256L.07, subdivisions 1, 3, by adding a subdivision; 256L.12, subdivision 9; 256L.15, subdivision 3, by adding a subdivision; 257.0769; 259.21, subdivision 6; 259.67, subdivision 7; 260B.157, subdivision 1; 260B.176, subdivision 2; 260B.178, subdivision 1; 260B.193, subdivision 2; 260B.235, subdivision 6; 295.53, subdivision 1; 297I.15, subdivisions 1, 4; 514.981, subdivision 6; 524.3-805; 626.5572, subdivisions 6, 13; proposing coding for new law in Minnesota Statutes, chapters 119B; 144; 245; 245A; 256B; 514; 609; repealing Minnesota Statutes 2002, sections 119B.061; 252.32, subdivision 2; Laws 2001, First Special Session chapter 3, article 1, section 16; Minnesota Rules, parts 9520.0660, subpart 3; 9520.0670, subpart 3; 9530.4120, subpart 5."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1043: A bill for an act relating to human services; modifying provisions to state-operated services; amending Minnesota Statutes 2002, sections 245.0312; 246.014; 246.015, subdivision 3; 246.018, subdivisions 2, 3, 4; 246.13; 246.15; 246.16; 246.57, subdivisions 1, 4, 6; 246.71, subdivisions 4, 5; 246B.02; 246B.03; 246B.04; 252.025, subdivision 7; 252.06; 253.015, subdivision 1; 253.017; 253.20; 253.26; 253B.02, subdivision 18a; 253B.09, subdivision 1; repealing Minnesota Statutes 2002, sections 246.017, subdivision 2; 246.022; 246.06; 246.07; 246.08; 246.11; 246.19; 246.42; 252.025, subdivisions 1, 2, 4, 5, 6; 252.032; 252.10; 253.015, subdivisions 2, 3; 253.10; 253.19; 253.201; 253.202; 253.25; 253.27; 256.05; 256.06; 256.08; 256.09; 256.10; 268A.08.

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

Page 5, line 19, strike the first comma and reinstate the stricken "and"

Page 5, lines 20 and 21, delete the new language

Page 5, line 23, before the period, insert "on a fee-for-service basis as defined in section 246.50"

Page 7, line 22, strike "nativity" and insert "place of birth" and strike "civil condition" and insert "legal status"

Page 8, delete lines 26 and 27 and insert "residents which may come into the chief executive officer's hands, head of the state-operated services facility or designee's possession."

Page 9, line 31, strike "hands" and insert "possession"

Page 9, delete line 36 and insert "disappeared therefrom cannot be found, and for which money there is"

Page 10, line 21, delete "disappears" and insert "is absent"

Page 13, line 19, reinstate the stricken language

Page 13, line 20, reinstate the stricken "shall be" and delete "treatment facilities"

Page 14, line 21, before "and" insert "in Cambridge"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1266: A bill for an act relating to health; permitting single background study for home care provider employees; excluding licensed home care agencies from supplemental nursing services law; excluding certain home care agencies from state survey requirements; amending Minnesota Statutes 2002, sections 144.057, subdivision 1; 144A.46, by adding a subdivision; 144A.70, subdivision 6.

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 2002, section 144A.70, subdivision 6, is amended to read:

Subd. 6. [SUPPLEMENTAL NURSING SERVICES AGENCY.] "Supplemental nursing services agency" means a person, firm, corporation, partnership, or association engaged for hire in the business of providing or procuring temporary employment in health care facilities for nurses, nursing assistants, nurse aides, and orderlies. Supplemental nursing services agency does not include an individual who only engages in providing the individual's services on a temporary basis to health care facilities. Supplemental nursing services agency does not include a professional home care agency licensed as a Class A provider under section 144A.46 and rules adopted thereunder that only provides staff to other home care providers.

Sec. 2. [CHANGES TO THE MEDICARE CONDITIONS OF PARTICIPATION FOR HOME HEALTH AGENCIES.]

(a) The commissioner of health shall convene a working group to consist of home care providers and other interested individuals. The first purpose of this group is to develop a summary of federal home care agency regulations and laws that hamper state flexibility and place burdens on the goal of achieving a high quality of services, such as provisions requiring rigid time frames for the completion of supervisory visits by registered nurses and for the submission of home care client assessment information. The commissioner shall share this summary with the legislature, other states, and national groups that advocate for state interests. The commissioner shall work with officials of the federal government and with members of the Minnesota congressional delegation to achieve necessary changes in the law.

(b) The commissioner of health shall also review with this working group the current licensure process for home care providers and evaluate continued appropriateness of that process. This review shall consider federal certification regulations for home care and hospice and the need to have separate licensure provisions for certified facilities. The commissioner shall make recommendations to the legislature by January 1, 2005.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to health; excluding certain licensed home care agencies from supplemental nursing services law; requiring a review and report on certain home care provider laws; amending Minnesota Statutes 2002, section 144A.70, subdivision 6."

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

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1019: A bill for an act relating to health; classifying certain data; establishing a reporting system for adverse health care events; appropriating money; amending Minnesota Statutes 2002, section 13.381, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 1, delete section 1

Page 1, lines 25 and 26, delete "or other entity"

Page 2, line 21, after the period, insert "The commissioner may consult with experts and organizations familiar with patient safety when developing the format for reporting and in further defining events in order to be consistent with industry standards."

Page 2, line 30, delete "that is not" and insert a semicolon

Page 2, delete lines 31 and 32

Page 3, line 34, delete "competent" and after "adults" insert "who have decision-making capacity"

Page 4, line 21, delete "associated with" and insert "directly related to"

Page 5, line 29, after "must" insert ": (1)"

Page 5, line 30, after "analysis" insert "or (2) report to the commissioner any reasons for not taking corrective action"

Page 5, line 33, before "plan" insert "corrective action"

Page 6, line 11, before "event" insert "discovery of the"

Page 7, line 4, after "commissioner" insert "or reporting of reasons for not taking corrective action"

Page 7, line 19, after the first comma, insert "corrective action plans, and findings of the" and delete the second comma

Page 7, line 20, delete everything before "to"

Page 7, line 31, after the second comma, insert "corrective action plans and the findings of" and delete the third comma

Page 7, line 32, delete everything before the semicolon

Page 7, line 36, after the comma, insert "the findings of the"

Page 8, line 1, delete "findings,"

Page 8, line 11, delete everything after "plan" and insert "or report to the commissioner why corrective action is not needed"

Page 8, line 12, delete "subdivision 2"

Page 8, delete lines 15 to 20

Page 9, line 2, delete "6" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "classifying certain data;"

Page 1, line 4, delete "amending Minnesota"

Page 1, delete line 5

Page 1, line 6, delete "subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 946: A bill for an act relating to health; exempting certain municipally operated ambulance services from certain license application requirements; proposing coding for new law in Minnesota Statutes, chapter 144E.

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

Delete everything after the enacting clause and insert:

"Section 1. [STUDY OF EMERGENCY MEDICAL SERVICES PREPAREDNESS.]

The department of public safety shall conduct a study of Minnesota's emergency medical service preparedness and its relationship to the department's overall homeland security planning. The study must analyze the coordination of responses to emergencies, the financial stability of the industries involved in providing prehospital emergency care, the effect of primary service area determinations, availability in response to terroristic activity, and the authority of governmental subdivisions in determining the level of care. The department shall report its findings to the chairs of the senate health and family security committee and crime prevention and public safety committee and the chairs of the house of representatives health and human services policy committee and judiciary policy and finance committee by February 1, 2004."

Delete the title and insert:

"A bill for an act relating to emergency medical services; requiring a preparedness study."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 1215: A bill for an act relating to health; modifying requirements for an agreement to regulate nuclear materials; amending Minnesota Statutes 2002, section 144.1202, subdivision 4.

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 2002, section 144.1202, subdivision 4, is amended to read:

Subd. 4. [AGREEMENT; CONDITIONS OF IMPLEMENTATION.] (a) An agreement entered into before August 2, 2003 2006, must remain in effect until terminated under the Atomic Energy Act of 1954, United States Code, title 42, section 2021, paragraph (j). The governor may not enter into an initial agreement with the Nuclear Regulatory Commission after August 1, 2003 2006. If an agreement is not entered into by August 1, 2003 2006, any rules adopted under this section are repealed effective August 1, 2003 2006.

(b) An agreement authorized under subdivision 1 must be approved by law before it may be implemented.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, lines 2 and 3, delete "requirements for an agreement to regulate nuclear materials" and insert "the date for an agreement"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 396: A bill for an act relating to human services; exempting children eligible for adoption assistance from the prepaid medical assistance program; amending Minnesota Statutes 2002, section 256B.69, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 824: A bill for an act relating to human services; providing an exception to the moratorium on nursing home beds for a facility in Hubbard county; amending Minnesota Statutes 2002, section 144A.071, subdivision 4a.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Finance without recommendation. Report adopted.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 426: A bill for an act relating to health; granting an exemption from the hospital construction moratorium for a hospital in Carver county; amending Minnesota Statutes 2002, section 144.551, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance.

Senator Ortman questioned the reference thereon and, under Rule 21, the bill was referred to the Committee on Rules and Administration.

Senator Lourey from the Committee on Health and Family Security, to which was referred

S.F. No. 613: A bill for an act relating to health; modifying enrollee cost sharing provisions for health maintenance organizations; amending Minnesota Statutes 2002, section 62D.095, subdivision 2.

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 2002, section 62D.095, subdivision 2, is amended to read:

Subd. 2. [CO-PAYMENTS.] (a) A health maintenance contract may impose a co-payment as authorized under Minnesota Rules, part 4685.0801, or under this section.

(b) A health maintenance organization may impose a flat fee co-payment on outpatient office visits not to exceed 40 percent of the median provider's charges for similar services or goods received by the enrollees as calculated under Minnesota Rules, part 4685.0801. A health maintenance organization may impose a flat fee co-payment on outpatient prescription drugs not to exceed 50 percent of the median provider's charges for similar services or goods received by the enrollees as calculated under Minnesota Rules, part 4685.0801.

(c) If a health maintenance contract is permitted to impose a co-payment for preexisting health status under sections 62D.01 to 62D.30, these provisions may vary with respect to length of enrollment in the health plan.

Sec. 2. Minnesota Statutes 2002, section 62D.095, is amended by adding a subdivision to read:

Subd. 6. [PUBLIC PROGRAMS.] This section does not apply to the prepaid medical assistance program, the MinnesotaCare program, the prepaid general assistance program, the federal Medicare program, or the health plans provided through any of those programs."

Delete the title and insert:

"A bill for an act relating to health; modifying enrollee cost sharing provisions for health maintenance organizations; amending Minnesota Statutes 2002, section 62D.095, subdivision 2, by adding a subdivision."

And when so amended the bill do pass and be re-referred to the Committee on Commerce and Utilities. Amendments adopted. Report adopted.

Senator Anderson from the Committee on Commerce and Utilities, to which was referred

S.F. No. 718: A bill for an act relating to commerce; regulating advertising by motor vehicle dealers; amending Minnesota Statutes 2002, section 168.27, subdivision 26.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Senator Murphy from the Committee on Agriculture, General Legislation and Veterans Affairs, to which was referred

S.F. No. 1281: A bill for an act relating to the environment; modifying environmental review for animal feedlots; amending Minnesota Statutes 2002, section 116D.04, subdivisions 2a, 10, 11, 13.

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 2002, section 116.07, subdivision 7a, is amended to read:

Subd. 7a. [NOTICE OF APPLICATION FOR LIVESTOCK FEEDLOT PERMIT.] (a) A person who applies to the pollution control agency or a county board for a permit to construct or expand a feedlot with a capacity of 500 animal units or more shall, ~~not later~~ less than ten 15 business days ~~after the application is submitted~~ before the date on which a permit is issued, provide notice to each resident and each owner of real property within 5,000 feet of the perimeter of the proposed feedlot. The notice may be delivered by first class mail, in person, or by the publication in a newspaper of general circulation within the affected area and must include information on the type of livestock and the proposed capacity of the feedlot. Notification under this subdivision is satisfied under an equal or greater notification requirement of a county conditional use permit.

(b) The agency or a county board must verify that notice was provided as required under paragraph (a) prior to issuing a permit.

Sec. 2. Minnesota Statutes 2002, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit. Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, applies, or where a local unit of government has an ordinance in effect on January 1, 2003, that requires environmental review of any feedlot permit applicants, if the proposed action is an animal feedlot facility to a total capacity of less than 1,000 animal units, or is an expansion of an existing animal feedlot facility by less than 1,000 animal units, and if the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with feedlot rules of the pollution control agency, the proposed action is exempt from environmental review under this chapter and rules adopted by the environmental quality board.

(d) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(e) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which

are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(f) Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(g) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement."

Delete the title and insert:

"A bill for an act relating to the environment; modifying notice requirements for certain feedlot permit applications; modifying environmental review for animal feedlots; amending Minnesota Statutes 2002, sections 116.07, subdivision 7a; 116D.04, subdivision 2a."

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

SECOND READING OF SENATE BILLS

S.F. Nos. 1014, 1195, 727, 1015, 414, 42, 958, 156, 1176, 964, 1263, 377, 1329, 1053, 1234, 685, 354, 1306, 1140, 1063, 190, 515, 841, 857, 276, 942, 259, 653, 1098, 1043, 1266, 396 and 718 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 741 was read the second time.

MOTIONS AND RESOLUTIONS

Senator Kiscaden moved that the name of Senator Dille be added as a co-author to S.F. No. 1266. The motion prevailed.

Senator Neville moved that the name of Senator Knutson be added as a co-author to S.F. No. 1297. The motion prevailed.

Senator Sparks moved that the names of Senators Day and Belanger be added as co-authors to S.F. No. 1298. The motion prevailed.

Senator Langseth moved that the name of Senator Johnson, D.E. be added as a co-author to S.F. No. 1392. The motion prevailed.

Senator Kiscaden moved that S.F. No. 1382 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

Senators Lourey and Robling introduced--

Senate Resolution No. 63: A Senate resolution proclaiming the week of April 6-12, 2003, as the Week of the Young Child in Minnesota.

Referred to the Committee on Rules and Administration.

Senator Stumpf introduced--

Senate Resolution No. 64: A Senate resolution congratulating the Warroad High School Boys Hockey team on winning the 2003 State High School Class A Boys Hockey Tournament.

Referred to the Committee on Rules and Administration.

Senator Kelley moved that his name be stricken as chief author, shown as a co-author, and the name of Senator Anderson be shown as chief author to S.F. No. 733. The motion prevailed.

Senator Solon moved that S.F. No. 1053 be stricken and re-referred to the Committee on Finance. The motion prevailed.

Senator Johnson, D.E. moved that S.F. No. 1043, on the Consent Calendar, be stricken and placed on General Orders. The motion prevailed.

Senator Kelley moved that S.F. No. 1430 be withdrawn from the Committee on State and Local Government Operations and re-referred to the Committee on Finance. The motion prevailed.

Senator Hann moved that S.F. No. 1404 be withdrawn from the Committee on Education and re-referred to the Committee on Finance. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Senators Dibble, Chaudhary and Moua introduced--

S.F. No. 1436: A bill for an act relating to gambling; appropriating money for a culturally competent compulsive gambling treatment program in the Southeast Asian communities.

Referred to the Committee on Finance.

Senators Scheid, Hottinger, Day, Higgins and LeClair introduced--

S.F. No. 1437: A bill for an act relating to elections; changing the precinct caucus date; changing the date of the state party nominating election and primary; changing requirements for names appearing on the state party nominating election ballot; changing certain terminology; amending Minnesota Statutes 2002, sections 202A.14, subdivision 1; 204B.03; 204B.06, subdivision 7; 204B.08, subdivisions 1, 2; 204B.09, subdivision 1; 204B.10, subdivisions 2, 3, 4; 204B.11; 204B.12, subdivision 1; 204B.33; 204D.03, subdivision 1; 204D.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 204B.

Referred to the Committee on Rules and Administration.

Senator Saxhaug introduced--

S.F. No. 1438: A resolution memorializing the President and Congress to provide a Vehicle and Cargo Inspection System machine in Ranier, Minnesota.

Referred to the Committee on Crime Prevention and Public Safety.

Senator Saxhaug introduced--

S.F. No. 1439: A bill for an act relating to transportation; appropriating money to continue operations of safety rest areas.

Referred to the Committee on Finance.

Senator Sams introduced--

S.F. No. 1440: A bill for an act relating to breath alcohol testing devices; modifying the requirements relating to immunity from liability for breath alcohol testing devices in liquor establishments; amending Minnesota Statutes 2002, section 604A.30.

Referred to the Committee on Judiciary.

Senator Saxhaug introduced--

S.F. No. 1441: A bill for an act relating to taxation; extending the time during which a sales tax exemption for a biomass electric generating facility applies; amending Laws 1999, chapter 243, article 4, section 19, as amended.

Referred to the Committee on Taxes.

Senator Neuville introduced--

S.F. No. 1442: A bill for an act relating to corrections; authorizing certain commitments to the commissioner of corrections to be served in local correctional facilities; amending Minnesota Statutes 2002, section 609.105, subdivision 1, by adding subdivisions.

Referred to the Committee on Crime Prevention and Public Safety.

Senator Murphy introduced--

S.F. No. 1443: A bill for an act relating to tax increment financing; allowing certain disaster areas to qualify as redevelopment districts with an original tax capacity equal to the land value; amending Minnesota Statutes 2002, sections 469.174, subdivision 10, by adding a subdivision; 469.177, subdivision 1.

Referred to the Committee on Taxes.

Senators Larson, Vickerman, Bakk, Langseth and Ruud introduced--

S.F. No. 1444: A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money to the veterans homes board for the state's share of five capital projects.

Referred to the Committee on Finance.

Senators Hottinger, Dibble, Stumpf and Lourey introduced--

S.F. No. 1445: A bill for an act relating to young children; proposing an amendment to the Minnesota Constitution by adding a section to article XIII; establishing the Mary McEvoy endowment fund for young children; providing for fees; amending Minnesota Statutes 2002, section 171.06, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 119C.

Referred to the Committee on Education.

Senators Marty, Higgins and Anderson introduced--

S.F. No. 1446: A bill for an act relating to health; providing protection of drinking water from chemicals found to cause cancer or reproductive toxicity; requiring a warning for exposure to chemicals known to cause cancer and reproductive toxicity; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Family Security.

Senators Kiscaden, Kierlin, Senjem and Murphy introduced--

S.F. No. 1447: A bill for an act relating to capital improvements; authorizing state bonds for radio communications system infrastructure; appropriating money.

Referred to the Committee on Finance.

Senators Murphy, Hottinger, Kubly and Sparks introduced--

S.F. No. 1448: A bill for an act relating to veterans; providing free tuition to certain military veterans at public colleges and universities; appropriating money.

Referred to the Committee on Agriculture, General Legislation and Veterans Affairs.

Senators Neuville, Senjem, Bachmann and Olson introduced--

S.F. No. 1449: A bill for an act relating to transportation; enacting the Minnesota Regulated Public Transit Utilities Act; providing for regulation of transit services; requiring legislative reports; proposing coding for new law as Minnesota Statutes, chapter 216E.

Referred to the Committee on Finance.

MEMBERS EXCUSED

Senators Cohen, Hottinger and Koering were excused from the Session of today.

ADJOURNMENT

Senator Rest moved that the Senate do now adjourn until 9:00 a.m., Thursday, April 10, 2003. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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