

STATE OF MINNESOTA

Journal of the Senate

NINETY-FOURTH LEGISLATURE

THIRTY-SECOND LEGISLATIVE DAY

St. Paul, Minnesota, Wednesday, May 7, 2025

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Pastor Dan Doering.

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

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

Abeler	Duckworth	Johnson	Mathews	Rarick
Anderson	Farnsworth	Johnson Stewart	Maye Quade	Rasmusson
Bahr	Fateh	Klein	McEwen	Rest
Boldon	Frentz	Koran	Miller	Seeberger
Carlson	Green	Kreun	Mitchell	Utke
Champion	Gruenhagen	Kunesh	Mohamed	Weber
Clark	Gustafson	Kupec	Murphy	Wesenberg
Coleman	Hauschild	Lang	Nelson	Westlin
Cwodzinski	Hawj	Latz	Oumou Verbeten	Westrom
Dahms	Heintzeman	Lieske	Pappas	Wiklund
Dibble	Hoffman	Limmer	Pha	Xiong
Dornink	Housley	Lucero	Port	
Draheim	Howe	Mann	Pratt	
Drazkowski	Jasinski	Marty	Putnam	

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.

May 6, 2025

The Honorable Bobby Joe Champion
President of the Senate

Dear President Champion:

I have received, approved, signed, and deposited in the Office of the Secretary of State, Chapter 15, S.F. No. 571.

Sincerely,
Tim Walz, Governor

May 7, 2025

The Honorable Lisa Demuth
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2025 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 2025	Date Filed 2025
	1014	14	9:42 a.m. May 6	May 6
571		15	9:43 a.m. May 6	May 6
	1163	17	9:46 a.m. May 6	May 6

Sincerely,
Steve Simon
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 4 members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 3045: A bill for an act relating to state government operations; establishing a biennial budget; appropriating money for the legislature, certain constitutional offices and state agencies, the Minnesota Historical Society, the Minnesota Humanities Center, certain retirement accounts, certain offices, departments, boards, commissions, councils, general contingent account, and tort claims; transferring money; raising fees; making changes to policy provisions for state government operations and local government policy; modifying state personnel management policies; modifying business filing and fraud policies; creating a task force; repealing provisions; modifying various laws related to election administration; modifying voting and absentee voting requirements and procedures; formalizing the election reporting system; clarifying terminology; expanding laws

relating to reprisals for political activity; expanding election-related bribery and solicitation prohibitions; amending fair campaign practices laws; requiring the Campaign Finance and Public Disclosure Board to study campaign spending limits; modifying campaign finance definitions; establishing and modifying disclaimer requirements; amending standards for coordinated and noncoordinated expenditures and disbursements; modifying laws on transition expenses; modifying campaign finance definitions; modifying statement of economic interest requirements; modifying payment for the presidential nomination primary; providing for civil causes of action and civil enforcement; providing criminal and civil penalties; authorizing rulemaking; repealing the voting equipment grant account; requiring reports and publications; amending Minnesota Statutes 2024, sections 3.06; 3.084, subdivision 2; 3.971, subdivisions 2, 8a, 9; 10A.01, subdivisions 16a, 18, 21, 22, 24, 26, 26b, 35, by adding a subdivision; 10A.04, subdivisions 4, 6; 10A.06; 10A.07, subdivisions 1, 2; 10A.08, subdivision 1; 10A.09, subdivisions 1, 5, 5a, 6a; 10A.175, by adding a subdivision; 10A.176; 10A.177; 10A.20, by adding a subdivision; 10A.201, subdivision 6; 10A.202, subdivision 4; 10A.36; 11A.24, by adding a subdivision; 13.485, subdivision 1, by adding a subdivision; 13D.02, subdivisions 1, 4; 14.48, subdivisions 1, 2; 14.62, subdivisions 1, 2a, by adding a subdivision; 15B.06, subdivision 1; 16A.152, subdivision 8; 16B.055, subdivision 1; 16B.335, subdivision 2; 16B.48, subdivision 4; 16B.54, subdivision 2; 16B.97, subdivision 1, by adding a subdivision; 16B.98, subdivisions 1, 4; 16B.981, subdivision 4; 16B.991, subdivision 2; 16C.05, by adding a subdivision; 16C.137, subdivision 2; 16C.16, subdivisions 2, 6, 6a, 7; 16D.09, subdivision 1; 43A.01, subdivision 3; 43A.02, subdivision 14; 43A.04, subdivisions 1, 4, 8; 43A.05, subdivision 3; 43A.08, subdivisions 1a, 4; 43A.11, subdivision 9; 43A.121; 43A.15, subdivisions 4, 7, 12, 14; 43A.17, subdivision 5; 43A.181, subdivision 1; 43A.1815; 43A.19, subdivision 1; 43A.23, subdivisions 1, 2; 43A.231, subdivisions 3, 4, 6; 43A.24, subdivisions 1a, 2; 43A.27, subdivisions 2, 3; 43A.33, subdivision 3; 43A.346, subdivisions 2, 6; 43A.36, subdivision 1; 43A.421; 124E.03, by adding a subdivision; 155A.23, by adding a subdivision; 155A.27, subdivision 2; 155A.2705, subdivision 3; 155A.30, subdivision 2; 201.054, subdivisions 1, 2; 201.056; 201.061, subdivisions 1, 3, 3a, 4, 5, 7; 201.071, subdivisions 1, 4; 201.091, subdivisions 5, 8; 201.121, subdivisions 1, 3; 201.13, subdivision 3; 201.14; 201.161, subdivisions 4, 5, 8; 201.162; 201.225, subdivisions 2, 5; 201.275; 202A.20, subdivision 2; 203B.04, subdivisions 1, 4; 203B.05, subdivision 1; 203B.06, subdivision 4; 203B.07, subdivisions 1, 3; 203B.08, subdivisions 1, 3; 203B.081, subdivision 4; 203B.11, subdivision 1; 203B.121, subdivisions 2, 4, 5; 203B.17, subdivision 3; 203B.23, subdivision 2; 203B.29, subdivisions 1, 2; 203B.30, subdivisions 2, 3; 204B.06, subdivisions 1, 1b; 204B.07, subdivision 2; 204B.09, subdivisions 1a, 2, 3; 204B.14, subdivisions 2, 4a; 204B.16, subdivision 1a; 204B.175, subdivision 3; 204B.21, subdivisions 1, 2, by adding a subdivision; 204B.24; 204B.25, subdivision 3; 204B.28, subdivision 2; 204B.44; 204B.45, subdivision 2; 204C.05, subdivision 2; 204C.06, subdivisions 1, 2, 6; 204C.08, subdivision 1d; 204C.09, subdivision 1; 204C.10; 204C.15, subdivisions 2, 3; 204C.24, subdivision 1; 204C.32, subdivision 1; 204C.33, subdivision 1; 205.07, by adding a subdivision; 205.075, subdivision 4; 205.13, subdivisions 1, 1a; 205.185, subdivision 3; 205A.06, subdivisions 1, 1a; 205A.10, subdivisions 2, 3; 205A.11, subdivision 2; 206.83; 207A.11; 211A.02, subdivisions 1, 2; 211B.04, subdivisions 1, 2, 3, 5, by adding a subdivision; 211B.13; 211B.32, subdivisions 1, 4; 211B.35, subdivision 2; 222.37, subdivision 1; 240.131, subdivision 7; 302A.153; 303.06, by adding a subdivision; 303.21; 308A.131, subdivision 2; 308B.215, subdivision 2; 317A.151, subdivision 2; 321.0206; 322C.0201, subdivision 4; 322C.0802; 323A.0101; 326.05; 326.10, subdivisions 1, 2, 10; 326.111, subdivisions 3, 4, 5, by adding a subdivision; 326A.03, subdivision 6, by adding subdivisions; 326A.14; 331A.10, subdivision 2; 349A.01, by adding a subdivision; 349A.06, subdivisions 2, 4, 11; 367.36, subdivision 1; 368.47; 375.20; 383B.041, subdivision 5; 383C.035; 412.02, subdivision 3; 412.591, subdivision 3; 414.09, subdivision 3;

447.32, subdivision 4; 466.01, subdivision 1; 477A.017, subdivision 3; 609.48, subdivision 1; Laws 2023, chapter 62, article 1, sections 11, subdivision 2; 13; proposing coding for new law in Minnesota Statutes, chapters 1; 5; 6; 8; 10A; 15; 16B; 16C; 204B; 207A; 211B; 300; 383A; 471; repealing Minnesota Statutes 2024, sections 16B.328, subdivision 2; 16B.45; 16B.98, subdivision 14; 16C.36; 43A.315; 43A.317, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 12; 43A.318, subdivisions 1, 2, 4, 5; 206.57, subdivision 5b; 206.95; 209.06; 211B.04, subdivision 4; 211B.06; 211B.08; 383C.07; 383C.74, subdivisions 1, 2, 3, 4; 471.9998; Laws 2023, chapter 53, article 17, section 2; Laws 2024, chapter 120, article 3, section 2; Minnesota Rules, parts 1105.7900, item D; 4503.2000, subpart 2; 4511.1100.

There has been appointed as such committee on the part of the House:

Klevorn, Nash, Freiberg and Altendorf.

Senate File No. 3045 is herewith returned to the Senate.

Patrick Duffy Murphy, Chief Clerk, House of Representatives

Returned May 6, 2025

REPORTS OF COMMITTEES

Senator Murphy moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Marty from the Committee on Finance, to which was re-referred

S.F. No. 856: A bill for an act relating to state government; creating the Office of the Inspector General; creating an advisory committee; requiring reports; transferring certain agency duties; appropriating money; amending Minnesota Statutes 2024, sections 3.971, by adding a subdivision; 15A.0815, subdivision 2; 142A.03, by adding a subdivision; 142A.12, subdivision 5; 144.05, by adding a subdivision; 245.095, subdivision 5; 256.01, by adding a subdivision; 609.456, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 15D; repealing Minnesota Statutes 2024, sections 13.321, subdivision 12; 127A.21.

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

Page 3, line 15, after "(b)" insert "In exercising the inspector general's powers and duties," and after "general" insert "is in the executive branch and"

Page 3, line 16, delete "chief administrative law judge under chapter 14" and insert "governor"

Page 3, line 18, delete everything after "authority" and insert a period

Page 5, after line 4, insert:

"Subd. 4. **Vacancy.** The Legislative Inspector General Advisory Commission must provide recommendations to the governor for appointment to fill a vacancy in the position of the inspector general within 90 days of a vacancy occurring or within 60 days of being advised by the inspector general that a vacancy is expected to occur. The governor must appoint an inspector general within

30 days of receiving recommendations from the Legislative Inspector General Advisory Commission or within 45 days of a vacancy occurring if the advisory commission does not provide recommendations within the time allotted for recommendations under this subdivision."

Renumber the subdivisions in sequence

Page 5, line 17, after "removed" insert "by the governor"

Page 5, line 18, after "hearing" insert "conducted by the governor"

Page 6, delete lines 8 to 12 and insert:

"(7) alert relevant commissioners or heads of agencies when the inspector general has a reasonable suspicion that fraud or misuse is being committed, whether or not the inspector general is conducting an investigation, as provided in subdivision 3; and"

Page 6, line 24, after "to" insert "the" and delete "fraud" and insert "program"

Page 7, line 5, after "auditor" insert ", and to the commissioner of human services for reports related to Medicaid"

Page 7, line 6, after "auditor" insert ", and the commissioner of human services for investigations related to Medicaid,"

Page 7, after line 7, insert:

"Subd. 3. **Alerting agency of issue; seeking a court order to freeze funds.** If the agency does not have primary investigative authority under subdivision 2, the inspector general shall investigate and, if the inspector general has a reasonable suspicion that fraud or misuse is occurring, then the inspector general may, at the inspector general's discretion, alert the commissioner and seek a court order to freeze or stop distribution of public funds, including any applicable due process and appeal rights, working in cooperation with the agency where practical and where it would not jeopardize an investigation.

If the agency has primary investigative authority under subdivision 2 but the inspector general is not satisfied that the agency's internal investigation is adequate or proceeding quickly enough, the inspector general may independently investigate and, if the inspector general has a reasonable suspicion that fraud or misuse is being committed, may make a recommendation to the agency to freeze or cease distribution of funds and notify the appropriate law enforcement agencies.

If a commissioner or head of an agency does not act on a recommendation to freeze or cease distribution of funds as requested, after reasonable notice and consistent with any applicable interagency agreements under section 17, unless prohibited by federal requirements, the inspector general may, at the inspector general's discretion, seek a court order to freeze or stop distribution of public funds, consistent with applicable due process and appeal rights.

Subd. 4. **Exceptions for federal funding.** The inspector general must not comply with any provision under this section if compliance with the provision would prevent the state from receiving federal financial participation for the medical assistance program or result in a lower level of coverage or reduced access to coverage for medical assistance enrollees."

Page 9, line 3, after "auditor" insert "or commissioner of human services"

Page 10, line 8, after "necessary" insert "and in accordance with chapter 43A"

Page 10, line 12, after the period, insert "Except for the inspector general,"

Page 11, line 15, delete "chief administrative law judge" and insert "governor"

Page 12, line 1, delete "from among" and insert "after consideration of"

Page 12, line 5, delete "chief administrative law" and insert "governor"

Page 12, line 6, delete "judge"

Page 12, line 28, before "By" insert "Notwithstanding Minnesota Statutes, section 15D.03, subdivision 4,"

Page 12, line 30, delete everything after the first "the" and insert "governor"

Page 13, line 1, delete "of Administrative Hearings"

Page 14, line 20, after "Positions" insert ", and assets and unused appropriations related to these positions,"

Page 14, line 28, delete "Positions in the following divisions and teams" and insert "No employees or positions"

Page 14, line 29, delete "not" and delete the colon and insert a period

Page 14, delete lines 30 and 31

Page 15, delete lines 1 to 10

Page 15, line 25, after the period, insert "The agreement must not preclude the agency from performing, or give the inspector general authority to take actions that would interfere with the agency's ability to perform, duties required as a condition for securing or maintaining federal funding."

Page 15, line 31, after "misuse" insert "when an independent investigation is pursued"

Page 16, delete section 18 and insert:

"Sec. 18. **APPROPRIATIONS.**

(a) \$644,000 in fiscal year 2026 and \$430,000 in fiscal year 2027 are appropriated from the general fund to the commissioner of administration to establish the Office of the Inspector General. This is a onetime appropriation.

(b) \$3,034,000 in fiscal year 2026 and \$4,432,000 in fiscal year 2027 are appropriated from the general fund to the Office of the Inspector General for purposes of this act. The base for this appropriation is \$4,439,000 in fiscal year 2028 and \$4,474,000 in fiscal year 2029 and each fiscal year thereafter. The commissioner of administration, in consultation with the commissioner of

management and budget, may transfer amounts in fiscal year 2026 to the commissioner of administration for office build out, cost of space, office equipment, and other costs directly related to the establishment of the office."

Page 16, line 9, after "misuse" insert "when an independent investigation is pursued"

Page 19, line 32, delete "Departments" and insert "Department" and delete everything after "Education"

Page 20, line 1, delete "and Families"

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

Senator Marty from the Committee on Finance, to which was referred

S.F. No. 3446: A bill for an act relating to claims against the state; providing for the settlement of certain claims; appropriating money.

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

Page 1, before line 5, insert:

"Section 1. **EXONERATION AWARD.**

\$65,000 is appropriated in fiscal year 2026 from the general fund to the commissioner of management and budget for full payment of awards of damages under the Imprisonment and Exoneration Remedies Act, Minnesota Statutes, sections 611.362 to 611.368. This appropriation is available until June 30, 2026, for payment to the Vincent Beaulieu Estate."

Page 1, line 15, delete "....." and insert "Victor Lynch" and delete "....." and insert "\$6,531.25."

Renumber the sections in sequence

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

SECOND READING OF SENATE BILLS

S.F. Nos. 856 and 3446 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Seeberger introduced--

S.F. No. 3489: A bill for an act relating to civil actions; decreasing the statute of limitations for medical malpractice claims; limiting collection of judgment against personal income or assets;

limiting certain damages for medical malpractice claims; amending Minnesota Statutes 2024, section 541.076; proposing coding for new law in Minnesota Statutes, chapter 604.

Referred to the Committee on Judiciary and Public Safety.

Senators Port and Mohamed introduced--

S.F. No. 3490: A bill for an act relating to education finance; establishing minimum compensation for teachers and certain other school staff; establishing aid programs to support teacher base compensation and unlicensed staff wage requirements; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 122A.

Referred to the Committee on Education Finance.

Senator Duckworth introduced--

S.F. No. 3491: A bill for an act relating to higher education; requiring certain disclosures and implementation of a corequisite model related to developmental courses; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 135A.

Referred to the Committee on Higher Education.

Senators Lucero, Wesenberg, Lieske, Green, and Hoffman introduced--

S.F. No. 3492: A bill for an act relating to drivers' licenses; repealing REAL ID implementation law; repealing Laws 2017, chapter 76, sections 1; 2; 3; 4; 5; 6; 7; 8; 9; 10; 11; 12; 13; 14; 15; 16; 17; 18; 19; 20; 21; 22; 23; 24; 25; 26; 27; 28; 29.

Referred to the Committee on Transportation.

Senator Hoffman introduced--

S.F. No. 3493: A bill for an act relating to retirement; Public Employees Retirement Association; correcting employer failure to record service; requiring the payment of employee and employer contributions on omitted service and extending Rule of 90 eligibility for an eligible employee.

Referred to the Committee on State and Local Government.

Senator Draheim introduced--

S.F. No. 3494: A bill for an act relating to natural resources; appropriating money for pilot program to buy out flooded commercial, industrial, and residential properties.

Referred to the Committee on Environment, Climate, and Legacy.

Senators Draheim, Koran, Lieske, and Lucero introduced--

S.F. No. 3495: A bill for an act relating to administrative procedure; requiring legislative approval and the governor's signature for rules to become effective; amending Minnesota Statutes 2024,

sections 14.18, subdivision 1; 14.38, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 14.

Referred to the Committee on State and Local Government.

MOTIONS AND RESOLUTIONS

Senator Limmer moved that his name be stricken as a co-author to S.F. No. 1750. The motion prevailed.

Senators Hawj, Xiong, and Pha introduced --

Senate Resolution No. 39: A Senate resolution recognizing Kevin Cher Chai Vang and his contributions to the Hmong community.

Referred to the Committee on Rules and Administration.

Senators Hawj, Xiong, Pha, Marty, and Pappas introduced --

Senate Resolution No. 40: A Senate resolution celebrating 50 years of Hmong American communities.

Referred to the Committee on Rules and Administration.

Senator Weber introduced --

Senate Resolution No. 41: A Senate resolution recognizing May 9, 2025, as Family Child Care Provider Appreciation Day and May as the month of the Family Child Care Provider.

Referred to the Committee on Rules and Administration.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Murphy, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. Nos. 2130, 2434, and 2115.

SPECIAL ORDER

H.F. No. 2130: A bill for an act relating to public safety; extending the length of driver's license revocations related to certain offenses; modifying the length of time certain individuals must participate in the ignition interlock program; requiring all ignition interlock participants to complete a treatment or rehabilitation program before reinstatement of full driving privileges; imposing criminal penalties for ignition interlock program participants who operate vehicles not equipped with an interlock device; making criminal vehicular homicide offenders eligible for the ignition interlock program; providing for judicial review of an extension of a person's driver's license revocation for a violation of the ignition interlock program; modifying how license plates are

impounded and reissued under the DWI law; expanding the time period that a temporary driver's license issued after a DWI is valid; providing criminal penalties; appropriating money; amending Minnesota Statutes 2024, sections 169A.37, subdivision 1; 169A.52, subdivisions 3, 4, 7; 169A.54, subdivision 1; 169A.60, subdivisions 4, 5, 6; 169A.63, subdivision 13; 171.177, subdivisions 4, 5; 171.187, subdivision 3; 171.19; 171.24, subdivision 2; 171.306, subdivisions 1, 4, 5, 6; proposing coding for new law in Minnesota Statutes, chapter 171; repealing Minnesota Statutes 2024, sections 169A.54, subdivisions 2, 3, 4; 169A.55, subdivisions 4, 5; 171.17, subdivision 4.

President Champion called Senator Frentz to preside.

Senator Champion moved to amend H.F. No. 2130, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A-2):

(The text of the amended House File is identical to S.F. No. 2068.)

Page 18, after line 9, insert:

"Sec. 17. Minnesota Statutes 2024, section 171.306, subdivision 2, is amended to read:

Subd. 2. Performance standards; certification; manufacturer and provider requirements.

(a) The commissioner shall establish performance standards and a process for certifying devices used in the ignition interlock program, except that the commissioner may not establish standards that, directly or indirectly, require devices to use or enable location tracking capabilities without a court order.

(b) The manufacturer of a device must apply annually for certification of the device by submitting the form prescribed by the commissioner. The commissioner shall require manufacturers of certified devices to:

(1) provide device installation, servicing, and monitoring to indigent program participants at a discounted rate, according to the standards established by the commissioner;

(2) include in an ignition interlock device contract a provision that a program participant who voluntarily terminates participation in the program or suspends participation as provided in subdivision 10 is only liable for servicing and monitoring costs incurred during the time the device is installed on the motor vehicle, regardless of whether the term of the contract has expired; and

(3) include in an ignition interlock device contract a provision that requires manufacturers of certified devices to pay any towing or repair costs caused by device failure or malfunction, or by damage caused during device installation, servicing, or monitoring.

(c) The manufacturer of a certified device must include with an ignition interlock device contract a separate notice to the program participant regarding any location tracking capabilities of the device."

Page 21, after line 29, insert:

"Sec. 21. Minnesota Statutes 2024, section 171.306, is amended by adding a subdivision to read:

Subd. 10. **Suspension of participation in program.** (a) A program participant whose motor vehicle is inoperable or who has transferred ownership of the vehicle, and who is not operating or planning to operate a motor vehicle, may inform the commissioner of this. Upon receiving this notice, the commissioner shall suspend the person's participation in the program. A person whose participation is suspended is not subject to further tests and may, if the person so chooses, remove the ignition interlock device from the vehicle. Except as provided in paragraph (c), the person is not subject to sanctions for program violations.

(b) If the person intends to resume operating a motor vehicle, the person shall inform the commissioner of this, and the commissioner shall reinstate the person to the program. The commissioner shall credit the person with the time spent in the program before suspension.

(c) If the person is required by law to abstain from the use of alcohol or controlled substances, the commissioner shall provide the person with a method of documenting this during the period of program suspension other than by use of an ignition interlock device. If the commissioner determines that the person has not maintained abstinence, the commissioner may take appropriate action including but not limited to extending the period of the person's ineligibility to operate a motor vehicle as provided in subdivision 5.

Sec. 22. Minnesota Statutes 2024, section 171.306, is amended by adding a subdivision to read:

Subd. 11. **Termination from program; reentry.** When a person who was involuntarily terminated from the ignition interlock program reenters the program, the commissioner shall credit the person with the time spent in the program before termination."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 39 and nays 28, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Klein	McEwen	Port
Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Limmer	Nelson	Westlin
Coleman	Hoffman	Mann	Oumou Verbeten	Wiklund
Cwodzinski	Housley	Marty	Pappas	Xiong
Dibble	Johnson Stewart	Maye Quade	Pha	

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Carlson, Fateh, Marty, McEwen, Murphy, Port, and Westlin.

Those who voted in the negative were:

Anderson	Drazkowski	Heintzeman	Kreun	Miller
Bahr	Duckworth	Howe	Lang	Pratt
Dahms	Farnsworth	Jasinski	Lieske	Rarick
Dornink	Green	Johnson	Lucero	Rasmusson
Draheim	Gruenhagen	Koran	Mathews	Utke

Weber

Wesenberg

Westrom

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Draheim and Green.

The motion prevailed. So the amendment was adopted.

President Champion resumed the Chair.

H.F. No. 2130 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Johnson	Mathews	Rarick
Anderson	Farnsworth	Johnson Stewart	Maye Quade	Rasmusson
Bahr	Fateh	Klein	McEwen	Rest
Boldon	Frentz	Koran	Miller	Seeberger
Carlson	Green	Kreun	Mitchell	Utke
Champion	Gruenhagen	Kunesh	Mohamed	Weber
Clark	Gustafson	Kupec	Murphy	Wesenberg
Coleman	Hauschild	Lang	Nelson	Westlin
Cwodzinski	Hawj	Latz	Oumou Verbeten	Westrom
Dahms	Heintzeman	Lieske	Pappas	Wiklund
Dibble	Hoffman	Limmer	Pha	Xiong
Dornink	Housley	Lucero	Port	
Draheim	Howe	Mann	Pratt	
Drazkowski	Jasinski	Marty	Putnam	

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Carlson, Fateh, Marty, McEwen, Murphy, Port, and Westlin.

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Draheim and Green.

So the bill, as amended, was passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 2434: A bill for an act relating to human services; modifying provisions relating to aging services, disability services, health care services, behavioral health services, background studies, Department of Human Services program integrity, direct care and treatment services, and housing supports; establishing a patient driven payment model phase-in, the Minnesota Caregiver Defined Contribution Retirement Fund Trust, early intensive developmental and behavioral intervention provisional licensure, and recovery residence certification; adjusting rates for nursing home wage standards; establishing an advisory task force and workgroups; creating a civil cause of action; creating grants; requiring reports; making forecast adjustments; appropriating money; amending Minnesota Statutes 2024, sections 13.46, subdivisions 2, 3; 142A.02, subdivision 1; 142A.09, subdivision 1; 144.0724, subdivisions 2, 11, by adding a subdivision; 179A.54, by adding a subdivision; 245.095, subdivision 5, by adding a subdivision; 245.462, subdivision 20; 245.4661, subdivisions 2, 6, 7; 245.467, subdivision 4; 245.4711, subdivisions 1, 4; 245.4712, subdivisions

1, 3; 245.4871, subdivision 5; 245.735, subdivision 3; 245.91, subdivision 4; 245A.03, by adding a subdivision; 245A.04, subdivisions 1, 7; 245A.042, by adding a subdivision; 245A.043, by adding a subdivision; 245A.05; 245A.07, subdivision 2; 245A.10, subdivisions 2, 3, 4, 8; 245C.02, subdivision 7; 245C.03, subdivisions 6, 13, 15; 245C.04, subdivision 6, by adding a subdivision; 245C.08, subdivision 5; 245C.10, by adding a subdivision; 245C.13, subdivision 2; 245C.14, by adding subdivisions; 245C.15, subdivisions 1, 4a; 245C.16, subdivision 1; 245C.22, subdivisions 3, 8; 245D.091, subdivisions 2, 3; 245F.08, subdivision 3; 245G.01, subdivision 13b, by adding subdivisions; 245G.02, subdivision 2; 245G.07, subdivisions 1, 3, 4, by adding subdivisions; 245G.11, subdivision 6, by adding a subdivision; 245G.22, subdivisions 11, 15; 246.54, subdivisions 1a, 1b; 246B.10; 246C.091, subdivision 3; 252.27, by adding subdivisions; 254A.19, subdivision 4; 254B.01, subdivisions 10, 11; 254B.02, subdivision 5; 254B.03, subdivisions 1, 3, 4; 254B.04, subdivisions 1a, 5, 6, 6a; 254B.05, subdivisions 1, 1a, 5, by adding a subdivision; 254B.052, by adding a subdivision; 254B.06, subdivision 2, by adding a subdivision; 254B.09, subdivision 2; 254B.19, subdivision 1; 256.01, subdivisions 29, 34; 256.043, subdivision 3; 256.9657, subdivisions 1, 7a; 256.9752, subdivision 3; 256.983, subdivision 4; 256B.051, subdivision 6, by adding a subdivision; 256B.0625, subdivisions 5m, 20; 256B.0659, subdivisions 17a, 21; 256B.0757, subdivision 4c; 256B.0761, subdivision 4; 256B.0911, subdivisions 1, 10, 13, 14, 17, 24, 26, 30, by adding subdivisions; 256B.0922, subdivision 1, by adding a subdivision; 256B.0924, subdivision 6; 256B.0949, subdivisions 15, 16, 16a, by adding a subdivision; 256B.14, subdivision 2; 256B.19, subdivision 1; 256B.434, subdivision 4k; 256B.4912, subdivision 1; 256B.4914, subdivisions 3, 5, 5a, 5b, 6a, 6b, 6c, 8, 9, by adding subdivisions; 256B.766; 256B.85, subdivisions 7a, 8, 12, 16; 256B.851, subdivisions 5, 6, 7, by adding subdivisions; 256G.08, subdivisions 1, 2; 256G.09, subdivisions 1, 2; 256I.03, subdivision 11a; 256I.04, subdivision 2a; 256I.05, subdivisions 1d, 1e, 1f, 1g, 1h, 1i, 1j, 1k, 1l, 1m, 1n, 1p, 1q, 1r, 1s, 1t, 1u, 2; 256R.02, subdivision 19, by adding subdivisions; 256R.23, subdivisions 2, 3; 256R.24, subdivision 1; 256R.25; 260E.14, subdivision 1; 325F.725; 609A.015, subdivision 4; 609A.055, subdivision 3; 611.43, by adding a subdivision; 611.46, subdivision 1; 611.55, by adding a subdivision; 626.5572, subdivision 13; Laws 2021, First Special Session chapter 7, article 13, sections 73; 75, subdivision 4, as amended; Laws 2023, chapter 61, article 1, sections 5; 27; 30; 32; 47; 61, subdivision 4; 85; article 9, section 2, subdivisions 13, 14, as amended; Laws 2024, chapter 125, article 8, section 2, subdivision 19; proposing coding for new law in Minnesota Statutes, chapters 245A; 245D; 254B; 256; 256K; 256R; repealing Minnesota Statutes 2024, sections 245G.01, subdivision 20d; 245G.07, subdivision 2; 254B.01, subdivision 5; 254B.04, subdivision 2a; 254B.181; Laws 2021, First Special Session chapter 7, article 13, section 75, subdivisions 3, as amended, 6, as amended.

Senator Hoffman moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A32):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 2, after line 32, insert:

"Section 1. Minnesota Statutes 2024, section 144.0724, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Assessment reference date" or "ARD" means the specific end point for look-back periods in the MDS assessment process. This look-back period is also called the observation or assessment period.

(b) "Case mix index" means the weighting factors assigned to the case mix reimbursement classifications determined by an assessment.

(c) "Index maximization" means classifying a resident who could be assigned to more than one category, to the category with the highest case mix index.

(d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment, and functional status elements, that include common definitions and coding categories specified by the Centers for Medicare and Medicaid Services and designated by the Department of Health.

(e) "Representative" means a person who is the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the Office of Ombudsman for Long-Term Care whose assistance has been requested, or any other individual designated by the resident.

(f) "Activities of daily living" or "ADL" includes personal hygiene, dressing, bathing, transferring, bed mobility, locomotion, eating, and toileting.

(g) "Nursing facility level of care determination" means the assessment process that results in a determination of a resident's or prospective resident's need for nursing facility level of care as established in subdivision 11 for purposes of medical assistance payment of long-term care services for:

- (1) nursing facility services under chapter 256R;
- (2) elderly waiver services under chapter 256S;
- (3) CADI and BI waiver services under section 256B.49; and
- (4) state payment of alternative care services under section 256B.0913.

(h) "Patient Driven Payment Model" or "PDPM" means the case mix reimbursement classification system for residents in nursing facilities according to the resident's condition, the resident's diagnosis, and the care the resident is receiving as reflected in data supplied in the facility's MDS with an ARD on or after October 1, 2025.

(i) "Resource utilization group" or "RUG" means the case mix reimbursement classification system for residents in nursing facilities according to the resident's clinical and functional status as reflected in data supplied by the facility's MDS with an ARD on or before September 30, 2025.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date."

Page 29, line 3, delete "state approved" and insert "state-approved"

Page 30, line 6, delete "shall" and insert "must"

Page 30, line 10, delete "Definitions" and insert "Definition"

Page 30, line 20, after "facility" insert a comma

Page 45, line 23, delete "or"

Page 45, line 26, delete the period and insert "; or"

Page 45, after line 26, insert:

"(4) a new integrated community supports setting has funding from the Minnesota Housing Finance Agency or the United States Department of Housing and Urban Development."

Page 92, line 20, delete "the following"

Page 119, line 12, before "legislative" insert "chairs and ranking minority members of the"

Page 119, line 21, before "legislative" insert "chairs and ranking minority members of the"

Page 177, line 27, before "legislative" insert "chairs and ranking minority members of the"

Page 227, line 20, delete "Controlling individual" and insert "Controlling individual"

Page 229, delete section 7 and insert:

"Sec. 7. Minnesota Statutes 2024, section 144G.52, subdivision 2, is amended to read:

Subd. 2. **Prerequisite to termination of a contract.** (a) Before issuing a notice of termination of an assisted living contract, a facility must schedule and participate in a meeting with the resident and the resident's legal representative and designated representative. The purposes of the meeting are to:

(1) explain in detail the reasons for the proposed termination; and

(2) identify and offer reasonable accommodations or modifications, interventions, or alternatives to avoid the termination or enable the resident to remain in the facility, including but not limited to securing services from another provider of the resident's choosing that may allow the resident to avoid the termination. A facility is not required to offer accommodations, modifications, interventions, or alternatives that fundamentally alter the nature of the operation of the facility.

(b) For a termination pursuant to subdivision 3 or 4, the meeting must be scheduled to take place at least seven days before a notice of termination is issued. The facility must make reasonable efforts to ensure that the resident, legal representative, and designated representative are able to attend the meeting.

(c) For a termination pursuant to subdivision 5, the meeting must be scheduled to take place at least five days before a notice of termination is issued. The facility must make reasonable efforts to ensure that the resident, legal representative, and designated representative are able to attend the meeting.

(d) The facility must notify the resident that the resident may invite family members, relevant health professionals, a representative of the Office of Ombudsman for Long-Term Care, a representative of the Office of Ombudsman for Mental Health and Developmental Disabilities, or other persons of the resident's choosing to participate in the meeting. For residents who receive home and community-based waiver services under chapter 256S and section 256B.49, the facility must notify the resident's case manager of the meeting.

~~(d)~~ (e) In the event of an emergency relocation under subdivision 9, where the facility intends to issue a notice of termination and an in-person meeting is impractical or impossible, the facility must use telephone, video, or other electronic means to conduct and participate in the meeting required under this subdivision and rules within Minnesota Rules, chapter 4659."

Page 230, delete sections 8 and 9 and insert:

"Sec. 8. Minnesota Statutes 2024, section 144G.52, subdivision 3, is amended to read:

Subd. 3. **Termination for nonpayment.** (a) A facility may initiate a termination of housing because of nonpayment of rent or a termination of services because of nonpayment for services. Upon issuance of a notice of termination for nonpayment, the facility must inform the resident that public benefits may be available and must provide contact information for the Senior LinkAge Line under section 256.975, subdivision 7, or the Disability Hub under section 256.01, subdivision 24.

(b) An interruption to a resident's public benefits that lasts for no more than 60 days does not constitute nonpayment."

Page 231, delete section 10

Pages 232 to 234, delete sections 12 to 15

Page 235, delete section 16 and insert:

"Sec. 10. Minnesota Statutes 2024, section 144G.54, subdivision 3, is amended to read:

Subd. 3. **Appeals process.** (a) The Office of Administrative Hearings must conduct an expedited hearing as soon as practicable under this section, but in no event later than 14 calendar days after the office receives the request, unless the parties agree otherwise or the chief administrative law judge deems the timing to be unreasonable, given the complexity of the issues presented. For terminations initiated pursuant to section 144G.52, subdivision 5, the Office of Administrative Hearings must conduct an expedited hearing as soon as practicable but in no event later than ten calendar days after the office receives the request, unless the parties agree otherwise. The Office of Administrative Hearings has discretion to order a continuance.

(b) The hearing must be held at the facility where the resident lives, unless holding the hearing at that location is impractical, the parties agree to hold the hearing at a different location, or the chief administrative law judge grants a party's request to appear at another location or by telephone or interactive video.

(c) The hearing is not a formal contested case proceeding, except when determined necessary by the chief administrative law judge.

(d) Parties may but are not required to be represented by counsel. The appearance of a party without counsel does not constitute the unauthorized practice of law.

(e) The hearing shall be limited to the amount of time necessary for the participants to expeditiously present the facts about the proposed termination. The administrative law judge shall issue a recommendation to the commissioner as soon as practicable, but in no event later than ten business days after the hearing related to a termination issued under section 144G.52, subdivision 3 or 4, or five business days for a hearing related to a termination issued under section 144G.52, subdivision 5."

Page 236, delete section 17 and insert:

"Sec. 11. Minnesota Statutes 2024, section 144G.54, subdivision 7, is amended to read:

Subd. 7. **Application of chapter 504B to appeals of terminations.** A resident may not bring an action under chapter 504B to challenge a termination that has occurred and been upheld under this section. A facility is entitled to a writ of recovery of premises and order to vacate pursuant to section 504B.361 when a termination has been upheld under this section and the facility has met its obligation under section 144G.55."

Page 236, delete section 18 and insert:

"Sec. 12. Minnesota Statutes 2024, section 144G.55, subdivision 1, is amended to read:

Subdivision 1. **Duties of facility.** (a) If a facility terminates an assisted living contract, reduces services to the extent that a resident needs to move or obtain a new service provider or the facility has its license restricted under section 144G.20, or the facility conducts a planned closure under section 144G.57, the facility:

(1) must ensure, subject to paragraph (c), a coordinated move to a safe location that is appropriate for the resident and that is identified by the facility prior to any hearing under section 144G.54 and document the same;

(2) must ensure a coordinated move of the resident to an appropriate service provider identified by the facility prior to any hearing under section 144G.54, provided services are still needed and desired by the resident; and

(3) must consult and cooperate with the resident, legal representative, designated representative, case manager for a resident who receives home and community-based waiver services under chapter 256S and section 256B.49, relevant health professionals, and any other persons of the resident's choosing to make arrangements to move the resident, including consideration of the resident's goals and document the same.

(b) A facility may satisfy the requirements of paragraph (a), clauses (1) and (2), by moving the resident to a different location within the same facility, if appropriate for the resident.

(c) A resident may decline to move to the location the facility identifies or to accept services from a service provider the facility identifies, and may choose instead to move to a location of the

resident's choosing or receive services from a service provider of the resident's choosing within the timeline prescribed in the termination notice.

(d) A facility has met its obligations under this section, following a termination completed in accordance with section 144G.52 if:

(1) for residents of facilities in the seven-county metropolitan area, the facility identifies at least three other facilities willing and able to meet the individual's service needs, one of which is within the seven-county metropolitan area;

(2) for residents outside of the seven-county metropolitan area, identifies at least two other facilities willing and able to meet the individual's service needs, and to the extent such facilities exist, one must be within two hours or 120 miles from the resident's current location; and

(3) the facility documents, in writing, the resident or the resident's designated representative has:

(i) consented to move; or

(ii) expressly refused to relocate to any of the facilities identified in accordance with this subdivision.

(e) Sixty days before the facility plans to reduce or eliminate one or more services for a particular resident, the facility must provide written notice of the reduction that includes:

(1) a detailed explanation of the reasons for the reduction and the date of the reduction;

(2) the contact information for the Office of Ombudsman for Long-Term Care, the Office of Ombudsman for Mental Health and Developmental Disabilities, and the name and contact information of the person employed by the facility with whom the resident may discuss the reduction of services;

(3) a statement that if the services being reduced are still needed by the resident, the resident may remain in the facility and seek services from another provider; and

(4) a statement that if the reduction makes the resident need to move, the facility must participate in a coordinated move of the resident to another provider or caregiver, as required under this section.

~~(e)~~ (f) In the event of an unanticipated reduction in services caused by extraordinary circumstances, the facility must provide the notice required under paragraph ~~(e)~~ (e) as soon as possible.

~~(f)~~ (g) If the facility, a resident, a legal representative, or a designated representative determines that a reduction in services will make a resident need to move to a new location, the facility must ensure a coordinated move in accordance with this section, and must provide notice to the Office of Ombudsman for Long-Term Care.

~~(g)~~ (h) Nothing in this section affects a resident's right to remain in the facility and seek services from another provider."

Page 241, after line 9, insert:

"Sec. 15. Minnesota Statutes 2024, section 256B.092, subdivision 1a, is amended to read:

Subd. 1a. **Case management services.** (a) Each recipient of a home and community-based waiver shall be provided case management services by qualified vendors as described in the federally approved waiver application.

(b) Case management service activities provided to or arranged for a person include:

(1) development of the person-centered support plan under subdivision 1b;

(2) informing the individual or the individual's legal guardian or conservator, or parent if the person is a minor, of service options, including all service options available under the waiver plan;

(3) consulting with relevant medical experts or service providers;

(4) assisting the person in the identification of potential providers of chosen services, including:

(i) providers of services provided in a non-disability-specific setting;

(ii) employment service providers;

(iii) providers of services provided in settings that are not controlled by a provider; and

(iv) providers of financial management services;

(5) assisting the person to access services and assisting in appeals under section 256.045;

(6) coordination of services, if coordination is not provided by another service provider;

(7) evaluation and monitoring of the services identified in the support plan, which must incorporate at least one annual face-to-face visit by the case manager with each person; ~~and~~

(8) reviewing support plans and providing the lead agency with recommendations for service authorization based upon the individual's needs identified in the support plan; and

(9) assisting and cooperating with providers licensed under chapter 144G with the licensee's obligations under section 144G.55.

(c) Case management service activities that are provided to the person with a developmental disability shall be provided directly by county agencies or under contract. If a county agency contracts for case management services, the county agency must provide each recipient of home and community-based services who is receiving contracted case management services with the contact information the recipient may use to file a grievance with the county agency about the quality of the contracted services the recipient is receiving from a county-contracted case manager. If a county agency provides case management under contracts with other individuals or agencies and the county agency utilizes a competitive proposal process for the procurement of contracted case management services, the competitive proposal process must include evaluation criteria to ensure that the county maintains a culturally responsive program for case management services adequate to meet the needs

of the population of the county. For the purposes of this section, "culturally responsive program" means a case management services program that: (1) ensures effective, equitable, comprehensive, and respectful quality care services that are responsive to individuals within a specific population's values, beliefs, practices, health literacy, preferred language, and other communication needs; and (2) is designed to address the unique needs of individuals who share a common language or racial, ethnic, or social background.

(d) Case management services must be provided by a public or private agency that is enrolled as a medical assistance provider determined by the commissioner to meet all of the requirements in the approved federal waiver plans. Case management services must not be provided to a recipient by a private agency that has a financial interest in the provision of any other services included in the recipient's support plan. For purposes of this section, "private agency" means any agency that is not identified as a lead agency under section 256B.0911, subdivision 10.

(e) Case managers are responsible for service provisions listed in paragraphs (a) and (b). Case managers shall collaborate with consumers, families, legal representatives, and relevant medical experts and service providers in the development and annual review of the person-centered support plan and habilitation plan.

(f) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

- (1) phasing out the use of prohibited procedures;
- (2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and
- (3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

(g) The Department of Human Services shall offer ongoing education in case management to case managers. Case managers shall receive no less than 20 hours of case management education and disability-related training each year. The education and training must include person-centered planning, informed choice, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports. By August 1, 2024, all case managers must complete an employment support training course identified by the commissioner of human services. For case managers hired after August 1, 2024, this training must be completed within the first six months of providing case management services. For the purposes of this section, "person-centered planning" or "person-centered" has the meaning given in section 256B.0911, subdivision 10. Case managers must document completion of training in a system identified by the commissioner.

Sec. 16. Minnesota Statutes 2024, section 256B.49, subdivision 13, is amended to read:

Subd. 13. **Case management.** (a) Each recipient of a home and community-based waiver shall be provided case management services by qualified vendors as described in the federally approved waiver application. The case management service activities provided must include:

(1) finalizing the person-centered written support plan within the timelines established by the commissioner and section 256B.0911, subdivision 29;

(2) informing the recipient or the recipient's legal guardian or conservator of service options, including all service options available under the waiver plans;

(3) assisting the recipient in the identification of potential service providers of chosen services, including:

(i) available options for case management service and providers;

(ii) providers of services provided in a non-disability-specific setting;

(iii) employment service providers;

(iv) providers of services provided in settings that are not community residential settings; and

(v) providers of financial management services;

(4) assisting the recipient to access services and assisting with appeals under section 256.045; ~~and~~

(5) coordinating, evaluating, and monitoring of the services identified in the service plan; and

(6) assisting and cooperating with providers licensed under chapter 144G with the licensee's obligations under section 144G.55.

(b) The case manager may delegate certain aspects of the case management service activities to another individual provided there is oversight by the case manager. The case manager may not delegate those aspects which require professional judgment including:

(1) finalizing the person-centered support plan;

(2) ongoing assessment and monitoring of the person's needs and adequacy of the approved person-centered support plan; and

(3) adjustments to the person-centered support plan.

(c) Case management services must be provided by a public or private agency that is enrolled as a medical assistance provider determined by the commissioner to meet all of the requirements in the approved federal waiver plans. If a county agency provides case management under contracts with other individuals or agencies and the county agency utilizes a competitive proposal process for the procurement of contracted case management services, the competitive proposal process must include evaluation criteria to ensure that the county maintains a culturally responsive program for case management services adequate to meet the needs of the population of the county. For the purposes of this section, "culturally responsive program" means a case management services program

that: (1) ensures effective, equitable, comprehensive, and respectful quality care services that are responsive to individuals within a specific population's values, beliefs, practices, health literacy, preferred language, and other communication needs; and (2) is designed to address the unique needs of individuals who share a common language or racial, ethnic, or social background.

(d) Case management services must not be provided to a recipient by a private agency that has any financial interest in the provision of any other services included in the recipient's support plan. For purposes of this section, "private agency" means any agency that is not identified as a lead agency under section 256B.0911, subdivision 10.

(e) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

(1) phasing out the use of prohibited procedures;

(2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and

(3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

(f) The Department of Human Services shall offer ongoing education in case management to case managers. Case managers shall receive no less than 20 hours of case management education and disability-related training each year. The education and training must include person-centered planning, informed choice, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports. By August 1, 2024, all case managers must complete an employment support training course identified by the commissioner of human services. For case managers hired after August 1, 2024, this training must be completed within the first six months of providing case management services. For the purposes of this section, "person-centered planning" or "person-centered" has the meaning given in section 256B.0911, subdivision 10. Case managers shall document completion of training in a system identified by the commissioner."

Page 247, line 4, after the period, insert "The commissioner must not supplant existing spending on staff performing budget and legislative functions and must not supplement compensation of existing staff performing budget and legislative functions, but must use the money appropriated under this subdivision only to hire additional staff. This subdivision does not expire."

Page 247, line 12, delete "\$102,000" and insert "\$150,000" and delete "\$204,000" and insert "\$300,000"

Page 247, line 17, delete "\$204,000" and insert "\$300,000"

Page 247, line 18, delete "\$204,000" and insert "\$300,000"

Page 248, line 17, after the period, insert "The commissioner must not supplant existing spending on staff performing budget and legislative analysis functions and must not supplement compensation of existing staff performing budget and legislative analysis functions, but must use the money appropriated under this subdivision only to hire additional staff. This subdivision does not expire."

Page 248, after line 23, insert:

"Subdivision 1. Fiscal Year 2026 Reduction

The reduction in the fiscal year 2026 appropriation in this section is subtracted from appropriations to the Department of Human Services for behavioral health administration made in any other law enacted by the ninety-fourth legislature during the 2025 legislative session."

Renumber the subdivisions in sequence

Page 249, after line 26, insert:

"Subdivision 1. Fiscal Year 2026 and 2027 Reductions

The reductions in the fiscal year 2026 and fiscal year 2027 appropriations in this section are subtracted from appropriations to the Department of Human Services for child and community service grants made in any other law enacted by the ninety-fourth legislature during the 2025 legislative session."

Renumber the subdivisions in sequence

Page 249, line 26, delete "(5,405,000)" and insert "(5,655,000)" and delete "(5,405,000)" and insert "(5,655,000)"

Page 249, delete lines 27 to 35

Page 250, delete subdivision 1

Page 250, delete lines 1 to 16

Page 250, line 18, delete "3,197,000" and insert "2,747,000"

Page 251, delete lines 5 to 10 and insert:

"Home and Community-Based Services Incentive Pool

\$2,747,000 in fiscal year 2026 and \$1,925,000 in fiscal year 2027 are for the home and community-based services incentive pool under Minnesota Statutes, section 256B.0921."

Page 252, line 3, delete "grant to Catholic" and insert "competitive grant or grants to address the unique nutritional needs of older adults or to operate senior dining programs"

Page 252, delete line 4

Page 252, line 5, delete everything before the period

Page 255, line 10, delete "general fund"

Page 257, line 17, delete "\$1,000,000" and insert "\$816,000"

Page 257, line 18, delete everything before "for" and insert "competitive grant"

Page 258, line 29, delete "Minnesota Ethnic Providers Network" and insert "Direct Support Professional Development"

Page 258, line 30, before "grant" insert "competitive"

Page 258, delete line 31

Page 259, line 18, delete "\$300,000" and insert "\$922,000" and delete "\$300,000" and insert "\$922,000"

Page 259, line 24, delete "\$381,000" and insert "\$248,000" and delete "\$381,000" and insert "\$248,000"

Page 259, line 28, delete "\$133,000" and insert "\$143,000" and delete "\$133,000" and insert "\$143,000"

Page 259, line 33, after the semicolon, insert "and"

Page 260, delete lines 1 to 6

Renumber the clauses in sequence

Page 264, delete subdivision 32

Renumber the subdivisions in sequence

Page 265, line 20, delete "600,000" and insert "1,300,000" and delete "-0-" and insert "250,000"

Page 265, line 21, delete "Isuroon Sexual and Domestic" and insert "Health Services and Support Grants"

Page 265, delete lines 22 to 35 and insert:

"\$1,300,000 in fiscal year 2026 and \$250,000 in fiscal year 2027 are for competitive grants to provide health services and supports to communities that are underserved due to language or demographic barriers. The amounts appropriated in fiscal years 2026 and 2027 are available until June 30, 2029. The base for this appropriation is \$500,000 in fiscal year 2028 and \$500,000 in fiscal year 2029."

Page 266, delete lines 1 to 22 and insert:

"Subd. 2. Base Level Adjustments

The general fund base for this section is \$500,000 in fiscal year 2028 and \$500,000 in fiscal year 2029."

Page 267, line 8, delete "Generation Hope" and insert "Recovery Community Grants"

Page 267, delete lines 9 to 27 and insert:

"\$1,475,000 in fiscal year 2026 and \$775,000 in fiscal year 2027 are from the general fund for competitive grants to recovery community organizations serving underserved communities or geographic locations."

Page 267, line 28, delete "Restoration for All, Inc." and insert "Suicide Prevention Grants"

Page 267, line 31, after "a" insert "competitive" and delete everything after "grant"

Page 267, line 32, delete "money must be used"

Page 268, delete subdivisions 5 and 6

Page 269, delete subdivisions 7 and 8

Page 272, line 5, delete "127, article 53" and insert "125, article 8"

Page 280, line 24, delete "\$1,750,000" and insert "\$1,830,000"

Page 282, line 4, delete "shall report" and insert "must submit"

Page 282, delete line 6, and insert "a quarterly grants transfer report. The report must include the amounts transferred and the purpose of each transfer."

Page 282, line 7, after "Administration" insert "; intra-agency transfers"

Page 282, line 10, delete "shall report" and insert "must submit"

Page 282, line 11, delete everything after "finance"

Page 282, line 12, delete everything before the period and insert "a quarterly intra-agency transfer report. The report must include the amounts transferred and the purpose of each transfer"

Page 282, after line 12, insert:

"Subd. 3. **Administration; interagency transfers.** During fiscal year 2026, with advance approval of the commissioner of management and budget, administrative money may be transferred between the Department of Human Services and Direct Care and Treatment as the commissioner and executive board deem necessary. The commissioner and executive board must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services and direct care and treatment an interagency transfers report. The report must include the amounts transferred and the purpose of each transfer."

Page 284, delete section 8, and insert:

"Sec. 8. **TRANSFER AUTHORITY.**

Subdivision 1. **Interprogrammatic transfers.** Money appropriated for budget programs in this article may be transferred between budget programs and between years of the biennium with the approval of the commissioner of management and budget.

Subd. 2. **Security systems and information technology transfer.** The Direct Care and Treatment executive board, with the advanced approval of the commissioner of management and budget, may transfer money appropriated for Direct Care and Treatment into the special revenue account for security systems and information technology projects, services, and support. The executive board must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over Direct Care and Treatment a quarterly security systems and information technology transfer report. The report must include the amounts transferred in that period and the purpose of each transfer.

Subd. 3. **Facilities management transfer.** The Direct Care and Treatment executive board, with the advanced approval of the commissioner of management and budget, may transfer money appropriated for Direct Care and Treatment into the special revenue account for facilities management. The executive board must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over Direct Care and Treatment a quarterly facilities management transfer report. The report must include the amounts transferred in that period and the purpose of each transfer.

Subd. 4. **Administration.** Positions, salary money, and nonsalary administrative money may be transferred within Direct Care and Treatment as the executive board considers necessary, with the advance approval of the commissioner of management and budget. The executive board must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over Direct Care and Treatment a quarterly intra-agency transfer report. The report must include the amounts transferred in that period and the purpose of each transfer.

Subd. 5. Administration; interagency transfers. During fiscal year 2026, administrative money may be transferred between the Department of Human Services and Direct Care and Treatment as the commissioner and executive board deem necessary, with advance approval of the commissioner of management and budget. The commissioner and executive board shall submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services and direct care and treatment an interagency transfers report. The report must include the amounts transferred and the purpose of each transfer."

Page 286, line 11, delete "the Beautywell Project" and insert "a competitive grant"

Page 288, line 2, after "a" insert "competitive" and delete "to" and insert "for a youth development and youth leadership program focused on inspiring youth to be intercultural ambassadors for positive change in their respective countries"

Page 288, delete lines 3 and 4

Page 288, line 5, delete "program"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Correct the subdivision and section totals and the appropriations by fund

The motion prevailed. So the amendment was adopted.

Senator Abeler moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A19):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 23, line 24, before "The" insert "(a)"

Page 23, lines 27 and 28, delete the new language and reinstate the stricken language

Page 23, after line 31, insert:

"(b) Notwithstanding paragraph (a), effective January 1, 2026, through December 31, 2029, the commissioner must determine each facility's total care-related payment rate limit by:

(1) multiplying the facility's quality score, as determined under section 256R.16, subdivision 1, by 2.0;

(2) subtracting 40 from the amount determined in clause (1), and dividing the total by 100; and

(3) multiplying the amount determined in clause (2) by the median total care-related cost per day.

This paragraph expires January 1, 2030."

Page 24, line 2, before "A" insert "(a)"

Page 24, lines 3 to 5, delete the new language and reinstate the stricken language

Page 24, after line 5, insert:

"(b) Notwithstanding paragraph (a), effective January 1, 2026, through December 31, 2029, a facility's direct care payment rate equals the lesser of (1) the facility's direct care costs per standardized day, (2) the facility's direct care costs per standardized day divided by its cost to limit ratio, or (3) 104 percent of the previous year's direct care payment rate. This paragraph expires January 1, 2030."

Page 24, line 8, before "A" insert "(a)"

Page 24, line 10, reinstate the stricken language

Page 24, line 11, delete the new language

Page 24, after line 11, insert:

"(b) Notwithstanding paragraph (a), effective January 1, 2026, through December 31, 2029, a facility's other care-related payment rate equals the lesser of (1) the facility's other care-related cost per resident day, (2) the facility's other care-related cost per resident day divided by its cost to limit ratio, or (3) 104 percent of the previous year's other care-related payment rate. This paragraph expires January 1, 2030."

Page 24, line 14, before "A" insert "(a)"

Page 24, lines 15 and 16, delete the new language

Page 24, after line 16, insert:

"(b) Notwithstanding paragraph (a), effective January 1, 2026, through December 31, 2029, a facility's other operating payment rate equals the lesser of 105 percent of the median other operating cost per day or 104 percent of the previous year's other operating payment rate. This paragraph expires January 1, 2030."

Page 32, after line 13, insert:

"Sec. 30. Minnesota Statutes 2024, section 256S.205, subdivision 2, is amended to read:

Subd. 2. **Rate adjustment application.** (a) Effective through September 30, 2023, a facility may apply to the commissioner for an initial designation as a disproportionate share facility. Applications must be submitted annually between September 1 and September 30. The applying facility must apply in a manner determined by the commissioner. The applying facility must document each of the following on the application:

(1) the number of customized living residents in the facility on September 1 of the application year, broken out by specific waiver program; and

(2) the total number of people residing in the facility on September 1 of the application year.

(b) Effective October 1, 2023, the commissioner must not process any new initial applications for disproportionate share facilities after the September 1 through September 30, 2023, application period.

(c) A facility that ~~receives~~ received rate floor payments in rate year 2024 may submit an annual application under this subdivision to maintain its designation as a disproportionate share facility for rate year 2025.

Sec. 31. Minnesota Statutes 2024, section 256S.205, subdivision 3, is amended to read:

Subd. 3. **Rate adjustment eligibility criteria.** (a) ~~Effective through September 30, 2023,~~ Only facilities satisfying all of the following conditions on September 1 of the application year are eligible for designation as a disproportionate share facility:

- (1) at least 83.5 percent of the residents of the facility are customized living residents; and
- (2) at least 70 percent of the customized living residents are elderly waiver participants.

(b) A facility determined eligible for the disproportionate share rate adjustment in application year 2023 and receiving payments in rate year 2024 is eligible to receive payments in rate year 2025, years beginning on or after January 1, 2025, only if the commissioner determines that the facility continues to meet the eligibility requirements under this subdivision as determined by the application process under subdivision 2, paragraph (c).

Sec. 32. Minnesota Statutes 2024, section 256S.205, subdivision 5, is amended to read:

Subd. 5. **Rate adjustment; rate floor.** (a) ~~Effective through December 31, 2025,~~ Notwithstanding the 24-hour customized living monthly service rate limits under section 256S.202, subdivision 2, and the component service rates established under section 256S.201, subdivision 4, the commissioner must establish a rate floor equal to \$141 per resident per day for 24-hour customized living services provided to an elderly waiver participant in a designated disproportionate share facility.

(b) The commissioner must apply the rate floor to the services described in paragraph (a) provided during the rate year."

Page 34, delete section 33 and insert:

"Sec. 36. **REPEALER.**

(a) Minnesota Statutes 2024, sections 144A.071, subdivision 4c; 256R.02, subdivision 38; 256R.40; 256R.41; and 256R.481, are repealed.

(b) Minnesota Statutes 2024, sections 256R.12, subdivision 10; and 256R.36, are repealed.

(c) Minnesota Statutes 2024, section 256R.23, subdivision 6, is repealed.

(d) Minnesota Statutes 2024, section 256S.205, subdivision 7, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective January 1, 2026. Paragraphs (b) and (d) are effective the day following final enactment. Paragraph (c) is effective October 1, 2025."

Page 34, after line 12, insert:

"Section 1. Minnesota Statutes 2024, section 144.0724, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Assessment reference date" or "ARD" means the specific end point for look-back periods in the MDS assessment process. This look-back period is also called the observation or assessment period.

(b) "Case mix index" means the weighting factors assigned to the case mix reimbursement classifications determined by an assessment.

(c) "Index maximization" means classifying a resident who could be assigned to more than one category, to the category with the highest case mix index.

(d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment, and functional status elements, that include common definitions and coding categories specified by the Centers for Medicare and Medicaid Services and designated by the Department of Health.

(e) "Representative" means a person who is the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the Office of Ombudsman for Long-Term Care whose assistance has been requested, or any other individual designated by the resident.

(f) "Activities of daily living" includes personal hygiene, dressing, bathing, transferring, bed mobility, locomotion, eating, and toileting.

(g) "Nursing facility level of care determination" means the assessment process that results in a determination of a resident's or prospective resident's need for nursing facility level of care as established in subdivision 11 for purposes of medical assistance payment of long-term care services for:

(1) nursing facility services under chapter 256R;

(2) elderly waiver services under chapter 256S; and

~~(3) CADI and BI waiver services under section 256B.49; and~~

~~(4)~~ (3) state payment of alternative care services under section 256B.0913.

EFFECTIVE DATE. This section is effective January 1, 2026, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 2. Minnesota Statutes 2024, section 144.0724, subdivision 11, is amended to read:

Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment of long-term care services specified in subdivision 2, paragraph (g), a recipient must be determined,

using assessments defined in subdivision 4, to meet one of the following nursing facility level of care criteria:

(1) the person requires formal clinical monitoring at least once per day;

(2) the person needs the assistance of another person or constant supervision to begin and complete at least four of the following activities of living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, and walking;

(3) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

(4) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require intervention;

(5) the person has had a qualifying nursing facility stay of at least 90 days;

(6) the person meets the nursing facility level of care criteria determined 90 days after admission or on the first quarterly assessment after admission, whichever is later; or

(7) the person is determined to be at risk for nursing facility admission or readmission through a face-to-face long-term care consultation assessment as specified in section 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care organization under contract with the Department of Human Services. The person is considered at risk under this clause if the person currently lives alone or will live alone or be homeless without the person's current housing and also meets one of the following criteria:

(i) the person has experienced a fall resulting in a fracture;

(ii) the person has been determined to be at risk of maltreatment or neglect, including self-neglect; or

(iii) the person has a sensory impairment that substantially impacts functional ability and maintenance of a community residence.

(b) The assessment used to establish medical assistance payment for nursing facility services must be the most recent assessment performed under subdivision 4, paragraphs (b) and (c), that occurred no more than 90 calendar days before the effective date of medical assistance eligibility for payment of long-term care services. In no case shall medical assistance payment for long-term care services occur prior to the date of the determination of nursing facility level of care.

(c) The assessment used to establish medical assistance payment for long-term care services provided under chapter 256S and section 256B.49 and alternative care payment for services provided under section 256B.0913 must be the most recent face-to-face assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28, that occurred no more than 60 calendar days before the effective date of medical assistance eligibility for payment of long-term care services.

EFFECTIVE DATE. This section is effective January 1, 2026, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 3. Minnesota Statutes 2024, section 144.0724, is amended by adding a subdivision to read:

Subd. 11a. **Determination of nursing facility level of care for the brain injury and community access for disability inclusion waivers.** (a) Effective January 1, 2026, or upon federal approval, whichever is later, a person must be determined to meet one of the following nursing facility level of care criteria to be eligible for the brain injury and community access for disability inclusion waivers under section 256B.49:

(1) the person requires the assistance of another person or constant supervision to begin and complete at least four of the following activities of daily living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, or walking;

(2) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning and the assistance cannot be scheduled; or

(3) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require the person to be constantly supervised or require interventions that cannot be scheduled.

(b) Nursing facility level of care determinations for purposes of initial and ongoing access to the brain injury and community access for disability inclusion waiver programs must be conducted by a certified assessor under section 256B.0911.

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

Page 48, after line 19, insert:

"Sec. 16. Minnesota Statutes 2024, section 256.01, is amended by adding a subdivision to read:

Subd. 30a. **State certified MnCHOICES assessor team.** (a) To facilitate the timely processing of long-term care consultation assessments under section 256B.0911, the commissioner must establish and maintain a team of assessors certified according to section 256B.0911, subdivision 13. Members of the state assessment team are authorized to conduct assessments under section 256B.0911 throughout the state. The commissioner may deploy members of the state assessment team to lead agencies with significant backlogs of pending or incomplete long-term care consultation assessments to temporarily supplement the capacity of the lead agency.

(b) The commissioner may deploy a state assessment team member to a hospital, nursing facility, intermediate care facility, or state-operated facility to expedite an assessment of a person who:

(1) is awaiting release or discharge because the person does not meet the applicable admission criteria or level of care criteria for the setting, but the setting cannot identify a setting to which the patient could be safely released or discharged without an assessment; or

(2) requests transition assistance under section 256B.0911, subdivision 27 or 28.

If the commissioner deploys a state assessment team member under this paragraph, the commissioner may require any organization receiving grant funds from the MNsure board of directors that support the organization's medical assistance and MinnesotaCare enrollment work to deploy an in-person

assistor or navigator to assist the person being assessed in expediting the person's application for medical assistance or MinnesotaCare.

(c) Nothing in the subdivision shall be construed to relieve a lead agency of its obligations under section 256B.0911, subdivision 14, paragraph (b), to have sufficient numbers of certified assessors employed by the lead agency or under contract with the lead agency to provide long-term consultation assessment and support planning within the timelines and parameters required under section 256B.0911."

Page 60, delete section 23 and insert:

"Sec. 27. Minnesota Statutes 2024, section 256B.0911, subdivision 26, is amended to read:

Subd. 26. **Determination of institutional level of care.** (a) The determination of need for hospital and intermediate care facility levels of care must be made according to criteria developed by the commissioner, and in section 256B.092, using forms developed by the commissioner.

(b) The determination of need for nursing facility level of care must be made based on criteria in section 144.0724, subdivision 11. This paragraph expires upon the effective date of paragraph (c).

(c) Effective January 1, 2026, or upon federal approval, whichever is later, the determination of need for nursing facility level of care must be made based on criteria in section 144.0724, subdivision 11, except for determinations of need for purposes of the brain injury and community access for disability inclusion waivers under section 256B.49.

(d) Determinations of need for the purposes of the brain injury and community access for disability inclusion waivers must be made based on criteria in section 144.0724, subdivision 11a. If a person is found ineligible for waiver services under this paragraph because of a determination that the person does not meet the criteria in section 144.0724, subdivision 11a, the lead agency must review the person's latest assessment under section 256B.0911 to determine if the person meets any of the nursing facility level of care criteria under section 144.0724, subdivision 11. If the lead agency determines after the review that the person does meet a nursing facility level of care criteria under section 144.0724, subdivision 11, the lead agency must provide a notice of action to the person informing the person specifically that the person's waiver services are being terminated because the person meets only a nursing facility level of care of under section 144.0724, subdivision 11, that is no longer a basis for waiver eligibility. The lead agency must also inform the person of other benefits options for which the person may be eligible. For existing waiver participants, the effective date of the termination of waiver services based on this paragraph must be no sooner than 90 days after the date of the assessment under section 256B.0911.

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

Page 61, after line 25, insert:

"Sec. 29. Minnesota Statutes 2024, section 256B.0911, is amended by adding a subdivision to read:

Subd. 36. **Cooperation with state certified MnCHOICES assessor teams.** (a) In the event that the commissioner deploys state certified assessors under section 256.01, subdivision 30a, to temporarily supplement the capacity of the lead agency to perform long-term care consultation assessments and to meet its obligations under this section, the lead agency must cooperate with the commissioner and the state assessor team to implement a work plan to reduce the backlog and improve both training of lead agency staff and processes to minimize future backlogs.

(b) In the event that the commissioner deploys state certified assessors under section 256.01, subdivision 30a, to perform an expedited long-term care consultation assessment under section 256.01, subdivision 30a, at the request of the state assessor, the lead agency must ensure that the person is visited by lead agency staff within five days of the visit by the state assessor to begin the process of determining financial eligibility for medical assistance."

Page 71, delete section 31 and insert:

"Sec. 36. Minnesota Statutes 2024, section 256B.49, subdivision 12, is amended to read:

Subd. 12. **Informed choice.** Persons who are determined ~~likely~~ to require the level of care provided in a nursing facility as determined under section 256B.0911, subdivision 26, or a hospital shall be informed of the home and community-based support alternatives to the provision of inpatient hospital services or nursing facility services. Each person must be given the choice of either institutional or home and community-based services using the provisions described in section 256B.77, subdivision 2, paragraph (p).

Sec. 37. Minnesota Statutes 2024, section 256B.49, subdivision 13, is amended to read:

Subd. 13. **Case management.** (a) Each recipient of a home and community-based waiver shall be provided case management services by qualified vendors as described in the federally approved waiver application. The case management service activities provided must include:

(1) finalizing the person-centered written support plan within the timelines established by the commissioner and section 256B.0911, subdivision 29;

(2) informing the recipient or the recipient's legal guardian or conservator of service options, including all service options available under the waiver plans;

(3) assisting the recipient in the identification of potential service providers of chosen services, including:

(i) available options for case management service and providers;

(ii) providers of services provided in a non-disability-specific setting;

(iii) employment service providers;

(iv) providers of services provided in settings that are not community residential settings; and

(v) providers of financial management services;

(4) assisting the recipient to access services and assisting with appeals under section 256.045; and

(5) coordinating, evaluating, and monitoring of the services identified in the service plan.

(b) The case manager may delegate certain aspects of the case management service activities to another individual provided there is oversight by the case manager. The case manager may not delegate those aspects which require professional judgment including:

(1) finalizing the person-centered support plan;

(2) ongoing assessment and monitoring of the person's needs and adequacy of the approved person-centered support plan; and

(3) adjustments to the person-centered support plan.

(c) Case management services must be provided by a public or private agency that is enrolled as a medical assistance provider determined by the commissioner to meet all of the requirements in the approved federal waiver plans. If a county agency provides case management under contracts with other individuals or agencies and the county agency utilizes a competitive proposal process for the procurement of contracted case management services, the competitive proposal process must include evaluation criteria to ensure that the county maintains a culturally responsive program for case management services adequate to meet the needs of the population of the county. For the purposes of this section, "culturally responsive program" means a case management services program that: (1) ensures effective, equitable, comprehensive, and respectful quality care services that are responsive to individuals within a specific population's values, beliefs, practices, health literacy, preferred language, and other communication needs; and (2) is designed to address the unique needs of individuals who share a common language or racial, ethnic, or social background.

(d) Case management services must not be provided to a recipient by a private agency that has any financial interest in the provision of any other services included in the recipient's support plan. For purposes of this section, "private agency" means any agency that is not identified as a lead agency under section 256B.0911, subdivision 10.

(e) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

(1) phasing out the use of prohibited procedures;

(2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and

(3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

(f) The Department of Human Services shall offer ongoing education in case management to case managers. Case managers shall receive no less than 20 hours of case management education and disability-related training each year. The education and training must include appropriate service authorization under the community access for disability inclusion waiver, person-centered planning, informed choice, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports. By August 1, 2024, all case managers must complete an employment support training course identified by the commissioner of human services. For case managers hired after August 1, 2024, this training must be completed within the first six months of providing case management services. For the purposes of this section, "person-centered planning" or "person-centered" has the meaning given in section 256B.0911, subdivision 10. Case managers shall document completion of training in a system identified by the commissioner."

Page 73, line 17, strike "as" and delete the new language

Page 73, line 18, delete everything before the period and insert "on January 1, 2030, and every two years thereafter, based on wage data by SOC from the Bureau of Labor Statistics published in the spring approximately 21 months prior to the scheduled update"

Page 76, line 10, before "The" insert "(a)"

Page 76, line 11, delete the new language

Page 76, after line 22, insert:

"(b) The commissioner shall update the base wage index under subdivision 5a for changes in the Consumer Price Index. The commissioner shall adjust these values higher or lower, publish these updated values, and load them into the rate management system on January 1, 2026, and January 1, 2028, by the percentage change in the CPI-U from the date of the previous update to the data available 24 months and one day prior to the scheduled update. This paragraph expires December 31, 2029."

Page 77, line 2, delete "and"

Page 77, line 3, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 77, after line 3, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 78, line 26, delete "and"

Page 78, line 27, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 78, after line 27, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 80, line 19, delete "and"

Page 80, line 20, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 80, after line 20, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 82, line 7, delete "and"

Page 82, line 8, delete the semicolon and insert ". This item expires upon the effective date of item (iv); and"

Page 82, after line 8, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 82, line 17, delete the new language and reinstate the stricken language

Page 83, line 26, delete everything after the period

Page 83, delete lines 27 to 28

Page 84, line 4, delete "and"

Page 84, line 5, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 84, after line 5, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 84, line 14, delete the new language and reinstate the stricken language

Page 85, line 20, delete everything after the period

Page 85, delete lines 21 and 22

Page 85, line 29, delete "and"

Page 85, line 30, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 85, after line 30, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 86, line 9, delete the new language and reinstate the stricken language

Page 87, line 17, delete everything after the period

Page 87, delete lines 18 and 19

Page 87, line 31, delete "and"

Page 88, line 1, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 88, after line 1, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 89, delete lines 22 to 24, and insert:

"(e) Effective January 1, 2026, or upon federal approval, whichever is later, providers may not bill more than nine hours per day for individualized home supports with training and individualized home supports with family training. This maximum does not limit a person's use of other disability waiver services."

Page 90, line 12, delete "and"

Page 90, line 13, delete the semicolon, and insert ". This item expires upon the effective date of item (iv); and"

Page 90, after line 13, insert:

"(iv) effective January 1, 2030, or upon federal approval, whichever is later, 6.7 percent;"

Page 124, after line 30, insert:

"Sec. 85. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; INCREASE TO PAYMENTS FOR FAMILY RESIDENTIAL AND LIFE SHARING SERVICES.

Effective January 1, 2026, or upon federal approval, whichever is later, the commissioner of human services must increase by 51.69 percent payment rates previously established under Minnesota Statutes, section 256B.4914, subdivision 19, for family residential services. Rates for life sharing services must be ten percent higher than the corresponding family residential services rate established under this section.

Sec. 86. COMMISSIONER OF HUMAN SERVICES; WAIVER CASE MANAGEMENT EVALUATION AND RATE STUDY.

Subdivision 1. **Reimbursement rate study.** The commissioner of human services must issue a request for proposals to develop and model a proposed reimbursement rate methodology for waiver case management services under Minnesota Statutes, sections 256B.0913, 256B.092, 256B.0922, and 256B.49, and Minnesota Statutes, chapter 256S. The proposed methodology for waiver case management reimbursement rates must be predicated on a methodology that is transparent, culturally responsive, and supports lead agency staffing needed to provide high-quality, person-centered, and culturally responsive case management services. The development of the rate methodology must

consider costs and workforce pressures that impact the delivery of case management services; costs to provide culturally responsive case management services as described in Minnesota Statutes, section 256B.076, subdivision 3; and compensation required to attract and retain qualified case managers.

Subd. 2. **Evaluation of case management service delivery.** The commissioner must conduct an evaluation of lead agency duties associated with waiver case management; current caseloads; best practices related to caseloads and case mix; required professional qualifications, experience, and training of case management professionals; and quality assurance measures, and make recommendations to improve the quality, consistency, and timeliness of the provision of waiver case management services.

Subd. 3. **Community engagement.** (a) The commissioner must consult with interested parties from across each region of the state including, but not limited to, lead agencies, contracted waiver case management service providers, culturally responsive providers, individuals receiving services and their families, advocacy organizations, and relevant experts in the development of the request for proposals under subdivision 1.

(b) The commissioner must collaborate with interested parties from across each region of the state including, but not limited to, lead agencies, contracted waiver case management service providers, culturally responsive providers, individuals receiving services and their families, advocacy organizations, and relevant experts in the evaluation of the delivery of waiver case management services.

Subd. 4. **Recommendations and reports.** By December 15, 2025, the commissioner of human services must submit a preliminary report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services policy and finance on the initial results of the rate study and service delivery evaluation. By December 15, 2026, the commissioner of human services must submit to the chairs and ranking minority members of committees with jurisdiction over health and human services a report detailing (1) the waiver rate methodology, including all rate components, and modeled rates; and (2) findings and recommendations of the evaluation of case management service delivery. The report must include (1) legislative language necessary to modify existing or implement new rate methodologies and a detailed fiscal analysis of the proposed rate methodology; and (2) legislative language necessary to implement recommendations to improve wavier case management service delivery.

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

Sec. 87. **CHAPTER 245D PROVIDER LICENSING TIMELINESS IMPROVEMENT INITIATIVE.**

(a) The commissioner of human services must conduct a comprehensive business process analysis and redesign of the provider licensing system with a particular focus on Minnesota Statutes, chapter 245D, licensing activities.

(b) The commissioner's business process analysis must include at least the following elements:

(1) a full mapping of the current provider licensing process, including provider inquiry, application intake, documentation requirements, inspections, background checks, approval or denial, and renewal processes;

(2) identification of all bottlenecks, backlogs, batches, redundancies, and inefficiencies;

(3) engagement with providers, people receiving services, lead agencies, and advocates and other stakeholders to gather feedback on process challenges and recommendations for improvement;
and

(4) analysis of opportunities to incorporate digital and tech solutions or workflow automation.

(c) When developing a proposal to redesign Minnesota Statutes, chapter 245D, licensing processes to better service individuals and providers, the commissioner must work directly with licensing staff, managers, and leadership and develop revised performance metrics and timelines, including a target average time frame for initial license decisions and renewals with the creation of a dashboard assuring transparency and ongoing accountability.

(d) By January 1, 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services licensing and over long-term services and supports a report that includes:

(1) the findings of the analysis of current Minnesota Statutes, chapter 245D, provider licensing processes;

(2) the proposed redesign of Minnesota Statutes, chapter 245D, provider licensing processes;

(3) an implementation plan of agreed upon improvements with timelines and required resources;
and

(4) recommended statutory or regulatory changes, if any, necessary to support implementation."

Page 125, after line 8, insert:

"ARTICLE 3

LONG-TERM SERVICES AND SUPPORTS REFORM

Section 1. Minnesota Statutes 2024, section 256B.49, is amended by adding a subdivision to read:

Subd. 17a. **Service authorizations and service agreements; generally.** Recipients will be screened and authorized for services according to the federally approved waiver application and its subsequent amendments.

Sec. 2. Minnesota Statutes 2024, section 256B.49, is amended by adding a subdivision to read:

Subd. 17b. **Service authorizations and service agreements; community access for disability inclusion waiver services.** (a) For service agreements under the community access for disability inclusion waiver program only, the commissioner must require lead agency supervisors to review

and accept all service agreements entered by lead agency staff into the Medicaid management information system (MMIS) prior to the commissioner's approval of the service agreement.

(b) For a service agreement under the community access for disability inclusion waiver with a proposed total authorized amount that exceeds the total authorized amount in the recipient's prior service agreement by more than the value of legislatively enacted rate increases, the commissioner must manually review and manually approve the service agreement in the MMIS. For purposes of this paragraph, "prior service agreement" means the service agreement that was in effect 12 months prior to the start date of the new proposed service agreement.

(c) In a format prescribed by the commissioner, lead agencies must submit the following information for all service agreements subject to the commissioner's approval in paragraph (b):

(1) changes in the number of units authorized;

(2) new services authorized;

(3) changes in the values used to calculate service rates under section 256B.4914, except for automatic adjustments required under section 256B.4914, subdivisions 5 and 5b;

(4) changes in the person's level of need requiring an increase in the amount of services authorized;

(5) documentation detailing why the previous amount of services is not sufficient to meet the person's needs; and

(6) anticipated impact if the total service amount is not increased to the proposed amount.

(d) Except for rate increases required under section 256B.4914, subdivisions 5 and 5b, and rate changes authorized by the 2025 legislature, the commissioner must not approve service agreements under paragraph (b) that are not the result of either a documented change in a person's assessed needs or documented evidence that the previous level of service was insufficient to meet the person's assessed needs.

(e) This subdivision expires upon full implementation of waiver reimagine. The commissioner must inform the revisor of statutes when waiver reimagine is fully implemented.

Sec. 3. Minnesota Statutes 2024, section 256B.49, subdivision 18, is amended to read:

Subd. 18. **Payments.** The commissioner shall reimburse approved vendors from the medical assistance account for the costs of providing home and community-based services to eligible recipients using the invoice processing procedures of the Medicaid management information system (MMIS). ~~Recipients will be screened and authorized for services according to the federally approved waiver application and its subsequent amendments.~~

Sec. 4. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; LONG-TERM SERVICES AND SUPPORTS REFORM WORK GROUP.

Subdivision 1. Development of alternative service models for long-term services and supports. (a) By October 1, 2025, the commissioner of human services must convene a group of

department staff and community partners to assist the commissioner in developing alternative service models to provide long-term services and supports to people with limited dependencies, low-acuity assessed needs, or natural supports. The commissioner is encouraged to consider increasing available service models; tailoring available services to meet the needs of the target population; supplementing or subsidizing family caregivers, religious organizations, social clubs, and similar civic and service organizations; exercising the commissioner's authority under Minnesota Statutes, section 256B.092, subdivision 4a; reexamining the provision of services under Minnesota Statutes, section 245A.03, subdivision 9; reexamining the viability of a demonstration project similar for the target population to the projects authorized under Minnesota Statutes, sections 256B.69, subdivision 23, and 256B.77; modifying licensing and regulator requirements to permit family or other natural supports to live with a person with a disability, behavioral health needs, or an older adult in licensed settings, such as an assisted living facility or senior living setting; and tax credits or other tax incentives to encourage intergenerational living arrangements, accessory dwelling units, or other residential arrangements that permit easier access to natural supports.

(b) By October 1, 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over medical assistance long-term services and supports a set of proposals that if enacted is estimated to reduce excepted general fund expenditures relative to the February 2025 forecast during the biennium beginning July 1, 2027, by at least the amount assumed in subdivision 3, paragraph (a). An estimate of the estimated savings as well as a summary of the expected impact on people served must accompany each proposal.

Subd. 2. **Administration.** (a) The commissioner of human services must provide meeting space and general administrative support to the workgroup.

(b) The commissioner of human services must contract with a third party to provide facilitation services for the workgroup. Use of a third party for this purpose is exempt from state procurement process requirements under Minnesota Statutes, chapter 16C.

(c) The commissioner of human services may contract with a third party or parties to provide policy research and analysis, data analysis, and administrative support related to drafting the action plan and supporting materials. Use of a third party for these purposes is exempt from state procurement process requirements under Minnesota Statutes, chapter 16C.

Subd. 3. **Savings determination.** (a) When preparing the forecast for state revenues and expenditures under Minnesota Statutes, section 16A.103, the commissioner of management and budget must assume a reduction of human services spending of \$135,000,000 relative to the February 2025 forecast for the biennium beginning July 1, 2027, until the end of the legislative session that enacts a budget for the Department of Human Services for the biennium beginning July 1, 2027.

(b) Upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the legislature must identify enacted provisions that were recommended by or based on the action plan submitted by the commissioner of human services under subdivision 1.

(c) To the extent the net savings attributable to the provisions identified by the legislature under paragraph (b) for the biennium beginning July 1, 2027, are less than the assumed savings in paragraph (a), the commissioner of human services must implement the contingent rate reductions described in subdivision 4.

Subd. 4. **Contingent rate reductions.** If upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the net savings for the biennium beginning July 1, 2027, attributable to the provisions identified by the legislature under subdivision 3, paragraph (b), are less than the assumed savings in subdivision 3, paragraph (a), notwithstanding Minnesota Statutes, section 256B.4914, the commissioner of human services must adjust the competitive workforce factors under Minnesota Statutes, section 256B.4914, subdivisions 6 to 9, to a value that will produce by June 30, 2029, a net reduction in expected general fund expenditures relative to the February 2025 forecast equal to the difference between the savings attributable to the provisions identified in subdivision 3, paragraph (b), and the assumed savings in subdivision 3, paragraph (a).

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

Sec. 5. **DIRECTION TO THE COMMISSIONERS OF HUMAN SERVICES AND MANAGEMENT AND BUDGET; COST SAVING REFORMS WORKING GROUP.**

Subdivision 1. **Identifying cost saving reforms.** (a) By October 1, 2025, the commissioner of human services must convene a group of department staff and community partners to assist the commissioner in identifying cost saving reforms to licensing requirements, service standards, provider qualifications, provider duties and responsibilities, lead agency duties and responsibilities, eligibility, covered services, service authorizations, service limits, service rate calculations, rate enhancements and add-ons, rate exceptions, rate limits, budget limits, or any other cost saving reforms to medical assistance long-term services and supports and other programs serving people with disabilities, people with behavioral health needs, or older adults.

(b) By October 1, 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over medical assistance long-term services and supports an action plan that if enacted is estimated to reduce excepted general fund expenditures relative to the February 2025 forecast during the biennium beginning July 1, 2027, by at least the amount assumed in subdivision 3, paragraph (a). Each strategy included in the action plan must include an estimate of the estimated savings as well as a summary of the expected impact on people served.

Subd. 2. **Administration.** (a) The commissioner of human services must provide meeting space and general administrative support to the workgroup.

(b) The commissioner of human services must contract with a third party to provide facilitation services for the workgroup. Use of a third party for this purpose is exempt from state procurement process requirements under Minnesota Statutes, chapter 16C.

(c) The commissioner of human services may contract with a third party or parties to provide policy research and analysis, data analysis, and administrative support related to drafting the action plan and supporting materials. Use of a third party for these purposes is exempt from state procurement process requirements under Minnesota Statutes, chapter 16C.

Subd. 3. **Savings determination.** (a) When preparing the forecast for state revenues and expenditures under Minnesota Statutes, section 16A.103, the commissioner of management and budget must assume a reduction of human services spending of \$150,000,000 relative to the February 2025 forecast for the biennium beginning July 1, 2027, until the end of the legislative session that enacts a budget for the Department of Human Services for the biennium beginning July 1, 2027.

(b) Upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the legislature must identify enacted provisions that were recommended by or based on the action plan submitted by the commissioner of human services under subdivision 1.

(c) To the extent the net savings attributable to the provisions identified by the legislature under paragraph (b) for the biennium beginning July 1, 2027, are less than the assumed savings in paragraph (a), the commissioner of human services must implement the contingent rate reductions described in subdivision 4.

Subd. 4. **Contingent rate reductions.** If upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the net savings for the biennium beginning July 1, 2027, attributable to the provisions identified by the legislature under subdivision 3, paragraph (b), are less than the assumed savings in subdivision 3, paragraph (a), notwithstanding Minnesota Statutes, section 256B.4914, the commissioner of human services must adjust the competitive workforce factors under Minnesota Statutes, section 256B.4914, subdivisions 6 to 9, to a value that will produce by June 30, 2029, a net reduction in expected general fund expenditures relative to the February 2025 forecast equal to the difference between the savings attributable to the provisions identified in subdivision 3, paragraph (b), and the assumed savings in subdivision 3, paragraph (a).

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

Sec. 6. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; OPTIONAL CONSULTATION SERVICES.**

The commissioner of human services must consider submitting a medical assistance state plan amendment to permit consultation services that are currently required under the community first services and supports program to be an optional service for individuals receiving waiver case management services under Minnesota Statutes, sections 256B.0913, 256B.092, 256B.0922, and 256B.49, or Minnesota Statutes, chapter 256S.

Sec. 7. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; LONG-TERM CARE CONSULTATION SERVICES PAYMENT REFORM.**

Subdivision 1. **Development of alternative payment methodology for long-term care consultation services.** (a) The commissioner of human services must develop a proposal for a long-term care consultation services payment methodology that does not rely on a time study to determine reimbursement to the counties for providing long-term care consultation services under Minnesota Statutes, section 256B.0911. The new reimbursement methodology must be a methodology that:

(1) results in a flat reimbursement amount per long-term care consultation assessment under Minnesota Statutes, section 256B.0911;

(2) reduces excepted general fund expenditures relative to the February 2025 forecast during the biennium beginning July 1, 2027, by at least the amount assumed in subdivision 2, paragraph (a);

(3) preserves the commissioner's ability to allocate to medical assistance costs incurred by counties for providing long-term care consultation services; and

(4) does not jeopardize the commissioner's ability to allocate other local administrative costs to medical assistance or other federal programs.

(b) By October 1, 2026, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over medical assistance long-term services and supports the proposal developed under paragraph (a) and any draft legislation required to implement the proposal.

Subd. 2. **Savings determination.** (a) When preparing the forecast for state revenues and expenditures under Minnesota Statutes, section 16A.103, the commissioner of management and budget must assume a reduction of human services spending of \$18,000,000 relative to the February 2025 forecast for the biennium beginning July 1, 2027, until the end of the legislative session that enacts a budget for the Department of Human Services for the biennium beginning July 1, 2027.

(b) Upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the legislature must identify enacted provisions that were recommended by or based on the proposal submitted by the commissioner of human services under subdivision 1.

(c) To the extent the net savings attributable to the provisions identified by the legislature under paragraph (b) for the biennium beginning July 1, 2027, are less than the assumed savings in paragraph (a), the commissioner of human services shall implement the contingent reductions in reimbursement to counties described in subdivision 4.

Subd. 3. **Contingent reimbursement reductions.** If upon enactment of a budget for the Department of Human Services for the biennium beginning July 1, 2027, the net savings for the biennium beginning July 1, 2027, attributable to the provisions identified by the legislature under subdivision 2, paragraph (b), are less than the assumed savings in subdivision 2, paragraph (a), notwithstanding Minnesota Statutes, section 256B.0911, subdivision 33, the commissioner of human services must reduce the percentage of the nonfederal share for the provision of long-term care consultation services the state pays to the counties as reimbursement to a value that will produce by June 30, 2029, a net reduction in expected general fund expenditures relative to the February 2025 forecast equal to the difference between the savings attributable to the provisions identified in subdivision 2, paragraph (b), and the assumed savings in subdivision 2, paragraph (a).

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

Sec. 8. DIRECTIONS TO THE COMMISSIONERS OF HUMAN SERVICES AND MANAGEMENT AND BUDGET; ADDITIONAL OFFSETS TO CONTINGENT REIMBURSEMENT REDUCTIONS.

(a) When preparing the forecast for state revenues and expenditures under Minnesota Statutes, section 16A.103, the commissioner of management and budget, in consultation with the commissioner of human services, must estimate the net reduction in estimated spending for the biennium beginning July 1, 2027, attributable to the amendments in sections 1 to 3 and 6 of this article that exceed the general fund reductions included in this act for these sections of this article.

(b) The commissioner of management and budget must reduce the assumed reductions in human services spending required under section 7, subdivision 2, paragraph (a), of this article by the amount identified in paragraph (a).

(c) If the amount identified in paragraph (a) exceeds the assumed reductions required under section 7, subdivision 2, paragraph (a), of this article, notwithstanding Minnesota Statutes, section 256B.0911, subdivision 33, the commissioner of human services must increase the percentage of the nonfederal share for the provision of long-term care consultation services the state pays to the counties as reimbursement to a value that will produce, by June 30, 2029, a net zero change in expected general fund expenditures relative to the February 2025 forecast for these services. "

Page 137, delete sections 19 and 21

Page 138, delete sections 22 and 23

Page 139, line 10, delete the new language and reinstate the stricken language

Page 140, line 11, reinstate the stricken language

Page 140, line 12, delete the new language and reinstate the stricken language

Pages 140 to 142, delete sections 25 to 27

Pages 178 to 179, delete sections 2 to 5

Page 180, line 6, delete everything after "plan" and insert a period

Page 180, delete lines 7 to 11

Page 241, after line 9, insert:

"Sec. 22. [256.4751] MINNESOTA HOMELESS STUDY GRANTS.

Subdivision 1. **Minnesota homeless study grant program established.** The commissioner shall establish a grant program for activities directly related to a triennial Minnesota homeless study.

Subd. 2. **Eligibility.** Minnesota-based nonprofits with experience conducting point-in-time study of prevalence of homelessness in Minnesota are eligible for grants under this section.

Subd. 3. **Study administration and reporting.** Beginning in fiscal year 2027, the grantee must conduct a triennial point-in-time study that includes face-to-face interviews with people experiencing homelessness. The grantee must submit a copy of the Minnesota homeless study and a report that summarizes the findings of the study to the chairs and ranking minority members of the legislative committees with jurisdiction over human services and housing and homelessness by March 1 of the year that is approximately 18 months after the date of the point-in-time study.

Subd. 4. **Minnesota homeless study account created.** A Minnesota homeless study account is created in the special revenue fund in the state treasury. Appropriations made for the Minnesota homeless study administered under this section must be transferred to this account. Money in the Minnesota homeless study account is appropriated to the commissioner of human services for purposes of this section. Notwithstanding section 16B.98, subdivision 14, for each fiscal year in which a grant is awarded under this section, the commissioner may use an amount not to exceed one percent of the money awarded.

Subd. 5. Carryforward. Notwithstanding section 16A.28, subdivision 3, money in the Minnesota homeless study account does not cancel."

Page 243, after line 19, insert:

"Sec. 25. RESIDENTIAL HOSPICE; IVY HOUSE.

(a) Southern Minnesota Crisis Nursery, DBA Ivy House, may apply under Minnesota Statutes, sections 144A.75 to 144A.176 to be a licensed residential hospice facility as defined in Minnesota Statutes, section 144A.75, subdivision 13, paragraph (a). Nothing in this section shall be construed to require the commissioner of health to issue a license to an applicant that does not meet the licensing requirements under Minnesota Statutes, sections 144A.75 to 144A.176.

(b) If Southern Minnesota Crisis Nursery, DBA Ivy House, is issued a residential hospice facility license under Minnesota Statutes, sections 144A.75 to 144A.176, and meets all applicable enrollment criteria under Minnesota Statutes, chapter 256B, it may seek reimbursement for the provision of hospice respite and end-of-life care for children under Minnesota Statutes, section 256B.0625, subdivision 22a. Nothing in this section shall be construed to require the commissioner of human services to make payments to any provider of hospice respite or end-of-life care for children that the provider is not otherwise lawfully eligible to receive under Minnesota Statutes, chapter 256B."

Page 245, line 28, delete "7,764,972,000" and insert "7,773,337,000" and delete "7,919,683,000" and insert "7,966,009,000"

Page 245, line 32, delete "7,763,011,000" and insert "7,771,376,000" and delete "7,917,494,000" and insert "7,963,820,000"

Page 246, line 35, delete "5,281,000" and insert "5,032,000"

Page 247, line 7, delete "\$3,536,000" and insert "\$3,385,000" and delete "\$3,352,000" and insert "\$3,201,000"

Page 247, line 21, delete "5,513,000" and insert "13,707,000" and delete "3,245,000" and insert "9,216,000"

Page 248, line 20, delete "\$3,219,000" and insert "\$7,201,000" and delete "\$3,219,000" and insert "\$5,755,000"

Page 249, line 16, delete "7,440,131,000" and insert "7,440,352,000" and delete "7,656,740,000" and insert "7,693,200,000"

Page 249, line 24, delete "118,318,000" and insert "122,512,000"

Page 256, line 2, delete "68,022,000" and insert "67,522,000" and delete "28,793,000" and insert "28,293,000"

Page 258, delete subdivision 8

Renumber the subdivisions in sequence

Page 265, after line 18, insert:

"Sec. 127 <u>GRANT PROGRAMS; HOUSING SUPPORT GRANTS</u>	<u>\$</u>	<u>450,000</u>	<u>\$</u>	<u>450,000</u>
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Minnesota Homeless Study

\$450,000 in fiscal year 2026 and \$450,000 in fiscal year 2027 are for the Minnesota homeless study under Minnesota Statutes, section 256.4751."

Page 281, line 11, after "(a)" insert "\$813,000 of"

Page 281, line 12, delete "estimated to"

Page 281, line 13, delete everything before "is"

Page 281, line 16, after "funding" insert a period

Page 281, after line 29, insert:

"Subd. 13. **Transfers to and from the workforce incentive grant account.** (a) By July 30, 2025, the commissioner must transfer \$70,805,000 from the workforce incentive grant account in the special revenue fund, under Minnesota Statutes, section 256.4764, subdivision 9, to the general fund. This is a onetime transfer.

(b) In fiscal year 2028, the commissioner must transfer \$70,805,000 from the general fund to the workforce incentive grant account in the special revenue fund under Minnesota Statutes, section 256.4764, subdivision 9. This is a onetime transfer and is available for the purposes of the account until June 30, 2029. Any remaining balance cancels to the general fund."

Page 281, line 30, after "enactment" insert ", except subdivision 13 is effective the day following final enactment"

Page 284, line 25, delete "98,775,000" and insert "173,775,000"

Page 284, line 26, after the period, insert "The base for fiscal year 2028 includes \$75,000,000 for the renovation of the Anoka Regional Treatment Center Miller Building."

Page 285, line 32, delete "2,592,000" and insert "3,092,000" and delete "2,496,000" and insert "2,996,000"

Page 286, line 3, delete "2,336,000" and insert "2,836,000" and delete "2,336,000" and insert "2,836,000"

Page 286, delete lines 4 to 7 and insert:

"Subdivision 1. **Community Care Hub Grant**

\$2,240,000 in fiscal year 2026 and \$2,240,000 in fiscal year 2027 are for the community care hub grant.

Subd. 2. **Spinal Cord and Traumatic Brain Injury Research**

\$500,000 in fiscal year 2026 and \$500,000 in fiscal year 2027 are for a transfer to the spinal cord and traumatic brain injury grant account in the special revenue fund under Minnesota Statutes, section 136A.901, subdivision 1. The commissioner of management and budget must include a transfer of \$500,000 each year from the general fund to the spinal cord and traumatic brain injury grant account in each forecast prepared under Minnesota Statutes, section 16A.103."

Adjust amounts accordingly

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Boldon moved to amend the Abeler (A19) amendment to H.F. No. 2434 as follows (A23):

Page 24, after line 1, insert:

"Page 168, after line 16, insert:

"Sec. 2. Minnesota Statutes 2024, section 256.01, is amended by adding a subdivision to read:

Subd. 29a. **State medical review team; expedited disability determinations.** (a) The commissioner must establish an expedited disability determination process within the state medical review team for applicants in the following high-risk categories:

(1) individuals in a facility who cannot be discharged without home- and community-based services or long-term care supports in place;

(2) individuals experiencing life-threatening medical conditions requiring urgent access to treatment or prescription medication;

(3) individuals diagnosed with a condition listed on the Social Security Administration's Compassionate Allowance List; and

(4) children under the age of two who have screened positive for a rare disease recognized by national medical registries or evidence-based standards.

(b) Hospitals submitting requests under paragraph (a) must complete an application for medical assistance prior to an expedite request and assist patients with returning required documentation necessary to determine disability.

(c) The commissioner must designate staff within the state medical review team to coordinate expedited requests, communicate with county and tribal agencies, and ensure timely electronic transmission of required documentation, including the use of electronic signature platforms."

Page 25, line 13, delete "7,773,337,000" and insert "7,774,124,000"

Page 25, line 14, delete "7,966,009,000" and insert "7,966,910,000"

Page 25, line 15, delete "7,771,376,000" and insert "7,772,163,000"

Page 25, line 16, delete "7,963,820,000" and insert "7,964,721,000"

Page 25, after line 19, insert:

"Page 247, line 9, delete "279,000" and insert "1,066,000" and delete "448,000" and insert "1,349,000""

Adjust amounts accordingly

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Abeler (A19) amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Senator Abeler moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A-1):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 38, delete section 6 and insert:

"Sec. 6. [245A.142] EARLY INTENSIVE DEVELOPMENTAL AND BEHAVIORAL INTERVENTION PROVISIONAL LICENSURE.

Subdivision 1. **Definitions.** The definitions in section 252B.0949, subdivision 2, apply to this section.

Subd. 2. **Regulatory powers.** The commissioner shall regulate early intensive developmental and behavioral intervention (EIDBI) agencies pursuant to this section.

Subd. 3. **Provisional license.** (a) Beginning on January 1, 2026, the commissioner shall begin issuing provisional licenses to agencies enrolled under chapter 256B to provide EIDBI services.

(b) Agencies enrolled prior to July 1, 2025, have until March 31, 2026, to submit an application for provisional licensure on the forms and in the manner prescribed by the commissioner.

(c) Beginning April 1, 2026, an agency must not operate if it has not submitted an application for provisional licensure under this section. The commissioner shall disenroll an agency from providing EIDBI services under chapter 256B if the agency fails to submit an application for provisional licensure by March 31, 2026, or a complete application by July 1, 2026.

(d) The commissioner must determine whether a provisional license applicant complies with all applicable rules and laws and either issue a provisional license to the applicant or deny the application by December 31, 2026.

(e) A provisional license is effective until comprehensive EIDBI agency licensure standards are in effect unless the provisional license is revoked.

(f) Beginning January 1, 2027, an agency providing EIDBI services must not operate in Minnesota unless provisionally licensed under this section.

Subd. 4. Provisional license regulatory functions. The commissioner may:

(1) enter the physical premises of an agency without advance notice in accordance with section 245A.04, subdivision 5;

(2) investigate reports of maltreatment;

(3) investigate complaints against agencies;

(4) take action on a license pursuant to sections 245A.06 and 245A.07;

(5) deny an application for provisional licensure pursuant to section 245A.05; and

(6) take other action reasonably required to accomplish the purposes of this section.

Subd. 5. Provisional license requirements. A provisional license holder must:

(1) identify all controlling individuals, as defined in section 245A.02, subdivision 5a, of the agency;

(2) provide documented disclosures surrounding the use of billing agencies or other consultants, available to the department upon request;

(3) establish provider policies and procedures related to staff training, staff qualifications, quality assurance, and service activities;

(4) document contracts with independent contractors for qualified supervising professionals, including the number of hours contracted and responsibilities, available to the department upon request; and

(5) comply with section 256B.0949, including exceptions to qualifications, standards, and requirements granted by the commissioner under section 256B.0949, subdivision 17.

Subd. 6. **Reconsideration requests and appeals.** An applicant or provisional license holder has reconsideration and appeal rights under sections 245A.05, 245A.06, and 245A.07.

Subd. 7. **Disenrollment.** The commissioner shall disenroll an agency from providing EIDBI services under chapter 256B if:

(1) the agency's application has been suspended or denied under subdivision 2 or the agency's provisional license has been revoked; and

(2) if the agency appealed the application suspension or denial or the provisional license revocation, the commissioner has issued a final order on the appeal.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 40, delete section 7 and insert:

"Sec. 7. Minnesota Statutes 2024, section 245C.16, subdivision 1, is amended to read:

Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines that the individual studied has a disqualifying characteristic, the commissioner shall review the information immediately available and make a determination as to the subject's immediate risk of harm to persons served by the program where the individual studied will have direct contact with, or access to, people receiving services.

(b) The commissioner shall consider all relevant information available, including the following factors in determining the immediate risk of harm:

(1) the recency of the disqualifying characteristic;

(2) the recency of discharge from probation for the crimes;

(3) the number of disqualifying characteristics;

(4) the intrusiveness or violence of the disqualifying characteristic;

(5) the vulnerability of the victim involved in the disqualifying characteristic;

(6) the similarity of the victim to the persons served by the program where the individual studied will have direct contact;

(7) whether the individual has a disqualification from a previous background study that has not been set aside;

(8) if the individual has a disqualification which may not be set aside because it is a permanent bar under section 245C.24, subdivision 1, or the individual is a child care background study subject who has a felony-level conviction for a drug-related offense in the last five years, the commissioner may order the immediate removal of the individual from any position allowing direct contact with, or access to, persons receiving services from the program and from working in a children's residential facility or foster residence setting; and

(9) if the individual has a disqualification which may not be set aside because it is a permanent bar under section 245C.24, subdivision 2, or the individual is a child care background study subject who has a felony-level conviction for a drug-related offense during the last five years, the commissioner may order the immediate removal of the individual from any position allowing direct contact with or access to persons receiving services from the center and from working in a licensed child care center or certified license-exempt child care center.

(c) This section does not apply when the subject of a background study is regulated by a health-related licensing board as defined in chapter 214, and the subject is determined to be responsible for substantiated maltreatment under section 626.557 or chapter 260E.

(d) This section does not apply to a background study related to an initial application for a child foster family setting license.

(e) Except for paragraph (f), this section does not apply to a background study that is also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a personal care assistant or a qualified professional as defined in section 256B.0659, subdivision 1, or to a background study for an individual providing early intensive developmental and behavioral intervention services under section 256B.0949.

(f) If the commissioner has reason to believe, based on arrest information or an active maltreatment investigation, that an individual poses an imminent risk of harm to persons receiving services, the commissioner may order that the person be continuously supervised or immediately removed pending the conclusion of the maltreatment investigation or criminal proceedings.

EFFECTIVE DATE. This section is effective January 1, 2026."

Page 50, delete section 14 and insert:

"Sec. 14. Minnesota Statutes 2024, section 256B.04, subdivision 21, is amended to read:

Subd. 21. **Provider enrollment.** (a) The commissioner shall enroll providers and conduct screening activities as required by Code of Federal Regulations, title 42, section 455, subpart E. A provider must enroll each provider-controlled location where direct services are provided. The commissioner may deny a provider's incomplete application if a provider fails to respond to the commissioner's request for additional information within 60 days of the request. The commissioner must conduct a background study under chapter 245C, including a review of databases in section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5), for a provider described in this paragraph. The background study requirement may be satisfied if the commissioner conducted a fingerprint-based background study on the provider that includes a review of databases in section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5).

(b) The commissioner shall revalidate ~~each~~:

(1) each provider under this subdivision at least once every five years; ~~and~~

(2) each personal care assistance agency, CFSS provider-agency, and CFSS financial management services provider under this subdivision at least once every three years; ~~;~~

(3) each EIDBI agency under the subdivision at least once every three years; and

(4) at the commissioner's discretion, any medical-assistance-only provider type the commissioner deems "high risk" under this subdivision.

(c) The commissioner shall conduct revalidation as follows:

(1) provide 30-day notice of the revalidation due date including instructions for revalidation and a list of materials the provider must submit;

(2) if a provider fails to submit all required materials by the due date, notify the provider of the deficiency within 30 days after the due date and allow the provider an additional 30 days from the notification date to comply; and

(3) if a provider fails to remedy a deficiency within the 30-day time period, give 60-day notice of termination and immediately suspend the provider's ability to bill. The provider does not have the right to appeal suspension of ability to bill.

(d) If a provider fails to comply with any individual provider requirement or condition of participation, the commissioner may suspend the provider's ability to bill until the provider comes into compliance. The commissioner's decision to suspend the provider is not subject to an administrative appeal.

(e) Correspondence and notifications, including notifications of termination and other actions, may be delivered electronically to a provider's MN-ITS mailbox. This paragraph does not apply to correspondences and notifications related to background studies.

(f) If the commissioner or the Centers for Medicare and Medicaid Services determines that a provider is designated "high-risk," the commissioner may withhold payment from providers within that category upon initial enrollment for a 90-day period. The withholding for each provider must begin on the date of the first submission of a claim.

(g) An enrolled provider that is also licensed by the commissioner under chapter 245A, is licensed as a home care provider by the Department of Health under chapter 144A, or is licensed as an assisted living facility under chapter 144G and has a home and community-based services designation on the home care license under section 144A.484, must designate an individual as the entity's compliance officer. The compliance officer must:

(1) develop policies and procedures to assure adherence to medical assistance laws and regulations and to prevent inappropriate claims submissions;

(2) train the employees of the provider entity, and any agents or subcontractors of the provider entity including billers, on the policies and procedures under clause (1);

(3) respond to allegations of improper conduct related to the provision or billing of medical assistance services, and implement action to remediate any resulting problems;

(4) use evaluation techniques to monitor compliance with medical assistance laws and regulations;

(5) promptly report to the commissioner any identified violations of medical assistance laws or regulations; and

(6) within 60 days of discovery by the provider of a medical assistance reimbursement overpayment, report the overpayment to the commissioner and make arrangements with the commissioner for the commissioner's recovery of the overpayment.

The commissioner may require, as a condition of enrollment in medical assistance, that a provider within a particular industry sector or category establish a compliance program that contains the core elements established by the Centers for Medicare and Medicaid Services.

(h) The commissioner may revoke the enrollment of an ordering or rendering provider for a period of not more than one year, if the provider fails to maintain and, upon request from the commissioner, provide access to documentation relating to written orders or requests for payment for durable medical equipment, certifications for home health services, or referrals for other items or services written or ordered by such provider, when the commissioner has identified a pattern of a lack of documentation. A pattern means a failure to maintain documentation or provide access to documentation on more than one occasion. Nothing in this paragraph limits the authority of the commissioner to sanction a provider under the provisions of section 256B.064.

(i) The commissioner shall terminate or deny the enrollment of any individual or entity if the individual or entity has been terminated from participation in Medicare or under the Medicaid program or Children's Health Insurance Program of any other state. The commissioner may exempt a rehabilitation agency from termination or denial that would otherwise be required under this paragraph, if the agency:

(1) is unable to retain Medicare certification and enrollment solely due to a lack of billing to the Medicare program;

(2) meets all other applicable Medicare certification requirements based on an on-site review completed by the commissioner of health; and

(3) serves primarily a pediatric population.

(j) As a condition of enrollment in medical assistance, the commissioner shall require that a provider designated "moderate" or "high-risk" by the Centers for Medicare and Medicaid Services or the commissioner permit the Centers for Medicare and Medicaid Services, its agents, or its designated contractors and the state agency, its agents, or its designated contractors to conduct unannounced on-site inspections of any provider location. The commissioner shall publish in the Minnesota Health Care Program Provider Manual a list of provider types designated "limited," "moderate," or "high-risk," based on the criteria and standards used to designate Medicare providers in Code of Federal Regulations, title 42, section 424.518. The list and criteria are not subject to the requirements of chapter 14. The commissioner's designations are not subject to administrative appeal.

(k) As a condition of enrollment in medical assistance, the commissioner shall require that a high-risk provider, or a person with a direct or indirect ownership interest in the provider of five percent or higher, consent to criminal background checks, including fingerprinting, when required to do so under state law or by a determination by the commissioner or the Centers for Medicare and Medicaid Services that a provider is designated high-risk for fraud, waste, or abuse.

(1)(1) Upon initial enrollment, reenrollment, and notification of revalidation, all durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) medical suppliers meeting the durable medical equipment provider and supplier definition in clause (3), operating in Minnesota and receiving Medicaid funds must purchase a surety bond that is annually renewed and designates the Minnesota Department of Human Services as the obligee, and must be submitted in a form approved by the commissioner. For purposes of this clause, the following medical suppliers are not required to obtain a surety bond: a federally qualified health center, a home health agency, the Indian Health Service, a pharmacy, and a rural health clinic.

(2) At the time of initial enrollment or reenrollment, durable medical equipment providers and suppliers defined in clause (3) must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is up to and including \$300,000, the provider agency must purchase a surety bond of \$50,000. If a revalidating provider's Medicaid revenue in the previous calendar year is over \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety bond must allow for recovery of costs and fees in pursuing a claim on the bond.

(3) "Durable medical equipment provider or supplier" means a medical supplier that can purchase medical equipment or supplies for sale or rental to the general public and is able to perform or arrange for necessary repairs to and maintenance of equipment offered for sale or rental.

(m) The Department of Human Services may require a provider to purchase a surety bond as a condition of initial enrollment, reenrollment, reinstatement, or continued enrollment if: (1) the provider fails to demonstrate financial viability, (2) the department determines there is significant evidence of or potential for fraud and abuse by the provider, or (3) the provider or category of providers is designated high-risk pursuant to paragraph (f) and as per Code of Federal Regulations, title 42, section 455.450. The surety bond must be in an amount of \$100,000 or ten percent of the provider's payments from Medicaid during the immediately preceding 12 months, whichever is greater. The surety bond must name the Department of Human Services as an obligee and must allow for recovery of costs and fees in pursuing a claim on the bond. This paragraph does not apply if the provider currently maintains a surety bond under the requirements in section 256B.0659 or 256B.85.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 63, delete section 26 and insert:

"Sec. 26. Minnesota Statutes 2024, section 256B.0949, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given in this subdivision.

(b) "Advanced certification" means a person who has completed advanced certification in an approved modality under subdivision 13, paragraph (b).

(c) "Agency" means the legal entity that is enrolled with Minnesota health care programs as a medical assistance provider according to Minnesota Rules, part 9505.0195, to provide EIDBI services and that has the legal responsibility to ensure that its employees ~~or contractors~~ carry out the responsibilities defined in this section. Agency includes a licensed individual professional who practices independently and acts as an agency.

(d) "Autism spectrum disorder or a related condition" or "ASD or a related condition" means either autism spectrum disorder (ASD) as defined in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) or a condition that is found to be closely related to ASD, as identified under the current version of the DSM, and meets all of the following criteria:

- (1) is severe and chronic;
- (2) results in impairment of adaptive behavior and function similar to that of a person with ASD;
- (3) requires treatment or services similar to those required for a person with ASD; and

(4) results in substantial functional limitations in three core developmental deficits of ASD: social or interpersonal interaction; functional communication, including nonverbal or social communication; and restrictive or repetitive behaviors or hyperreactivity or hyporeactivity to sensory input; and may include deficits or a high level of support in one or more of the following domains:

- (i) behavioral challenges and self-regulation;
- (ii) cognition;
- (iii) learning and play;
- (iv) self-care; or
- (v) safety.

(e) "Person" means a person under 21 years of age.

(f) "Clinical supervision" means the overall responsibility for the control and direction of EIDBI service delivery, including individual treatment planning, staff supervision, individual treatment plan progress monitoring, and treatment review for each person. Clinical supervision is provided by a qualified supervising professional (QSP) who takes full professional responsibility for the service provided by each supervisee and the clinical effectiveness of all interventions.

(g) "Commissioner" means the commissioner of human services, unless otherwise specified.

(h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a comprehensive evaluation of a person to determine medical necessity for EIDBI services based on the requirements in subdivision 5.

(i) "Department" means the Department of Human Services, unless otherwise specified.

(j) "Early intensive developmental and behavioral intervention benefit" or "EIDBI benefit" means a variety of individualized, intensive treatment modalities approved and published by the commissioner that are based in behavioral and developmental science consistent with best practices on effectiveness.

(k) "Employee" means any person who is employed by an agency, including temporary and part-time employees, and who performs work for at least 80 hours in a year for that agency in Minnesota. Employee does not include an independent contractor.

~~(k)~~ (l) "Generalizable goals" means results or gains that are observed during a variety of activities over time with different people, such as providers, family members, other adults, and people, and in different environments including, but not limited to, clinics, homes, schools, and the community.

~~(h)~~ (m) "Incident" means when any of the following occur:

(1) an illness, accident, or injury that requires first aid treatment;

(2) a bump or blow to the head; or

(3) an unusual or unexpected event that jeopardizes the safety of a person or staff, including a person leaving the agency unattended.

~~(m)~~ (n) "Individual treatment plan" or "ITP" means the person-centered, individualized written plan of care that integrates and coordinates person and family information from the CMDE for a person who meets medical necessity for the EIDBI benefit. An individual treatment plan must meet the standards in subdivision 6.

~~(n)~~ (o) "Legal representative" means the parent of a child who is under 18 years of age, a court-appointed guardian, or other representative with legal authority to make decisions about service for a person. For the purpose of this subdivision, "other representative with legal authority to make decisions" includes a health care agent or an attorney-in-fact authorized through a health care directive or power of attorney.

~~(o)~~ (p) "Mental health professional" means a staff person who is qualified according to section 245I.04, subdivision 2.

~~(p)~~ (q) "Person-centered" means a service that both responds to the identified needs, interests, values, preferences, and desired outcomes of the person or the person's legal representative and respects the person's history, dignity, and cultural background and allows inclusion and participation in the person's community.

~~(q)~~ (r) "Qualified EIDBI provider" means a person who is a QSP or a level I, level II, or level III treatment provider.

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

Sec. 27. Minnesota Statutes 2024, section 256B.0949, subdivision 13, is amended to read:

Subd. 13. **Covered services.** (a) The services described in paragraphs (b) to (l) are eligible for reimbursement by medical assistance under this section. Services must be provided by a qualified EIDBI provider and supervised by a QSP. An EIDBI service must address the person's medically necessary treatment goals and must be targeted to develop, enhance, or maintain the individual developmental skills of a person with ASD or a related condition to improve functional communication, including nonverbal or social communication, social or interpersonal interaction, restrictive or repetitive behaviors, hyperreactivity or hyporeactivity to sensory input, behavioral challenges and self-regulation, cognition, learning and play, self-care, and safety.

(b) EIDBI treatment must be delivered consistent with the standards of an approved modality, as published by the commissioner. EIDBI modalities include:

- (1) applied behavior analysis (ABA);
- (2) developmental individual-difference relationship-based model (DIR/Floortime);
- (3) early start Denver model (ESDM); or
- ~~(4) PLAY project;~~
- ~~(5) (4) relationship development intervention (RDI); or~~
- ~~(6) additional modalities not listed in clauses (1) to (5) upon approval by the commissioner.~~

(c) An EIDBI provider may use one or more of the EIDBI modalities in paragraph (b), clauses (1) to ~~(5)~~ (4), as the primary modality for treatment as a covered service, or several EIDBI modalities in combination as the primary modality of treatment, as approved by the commissioner. An EIDBI provider that identifies and provides assurance of qualifications for a single specific treatment modality, including an EIDBI provider with advanced certification overseeing implementation, must document the required qualifications to meet fidelity to the specific model in a manner determined by the commissioner.

(d) Each qualified EIDBI provider must identify and provide assurance of qualifications for professional licensure certification, or training in evidence-based treatment methods, and must document the required qualifications outlined in subdivision 15 in a manner determined by the commissioner.

(e) CMDE is a comprehensive evaluation of the person's developmental status to determine medical necessity for EIDBI services and meets the requirements of subdivision 5. The services must be provided by a qualified CMDE provider.

(f) EIDBI intervention observation and direction is the clinical direction and oversight of EIDBI services by the QSP, level I treatment provider, or level II treatment provider, including developmental and behavioral techniques, progress measurement, data collection, function of behaviors, and generalization of acquired skills for the direct benefit of a person. EIDBI intervention observation and direction informs any modification of the current treatment protocol to support the outcomes outlined in the ITP.

(g) Intervention is medically necessary direct treatment provided to a person with ASD or a related condition as outlined in their ITP. All intervention services must be provided under the direction of a QSP. Intervention may take place across multiple settings. The frequency and intensity of intervention services are provided based on the number of treatment goals, person and family or caregiver preferences, and other factors. Intervention services may be provided individually or in a group. Intervention with a higher provider ratio may occur when deemed medically necessary through the person's ITP.

(1) Individual intervention is treatment by protocol administered by a single qualified EIDBI provider delivered to one person.

(2) Group intervention is treatment by protocol provided by one or more qualified EIDBI providers, delivered to at least two people who receive EIDBI services.

(3) Higher provider ratio intervention is treatment with protocol modification provided by two or more qualified EIDBI providers delivered to one person in an environment that meets the person's needs and under the direction of the QSP or level I provider.

(h) ITP development and ITP progress monitoring is development of the initial, annual, and progress monitoring of an ITP. ITP development and ITP progress monitoring documents provide oversight and ongoing evaluation of a person's treatment and progress on targeted goals and objectives and integrate and coordinate the person's and the person's legal representative's information from the CMDE and ITP progress monitoring. This service must be reviewed and completed by the QSP, and may include input from a level I provider or a level II provider.

(i) Family caregiver training and counseling is specialized training and education for a family or primary caregiver to understand the person's developmental status and help with the person's needs and development. This service must be provided by the QSP, level I provider, or level II provider.

(j) A coordinated care conference is a voluntary meeting with the person and the person's family to review the CMDE or ITP progress monitoring and to integrate and coordinate services across providers and service-delivery systems to develop the ITP. This service may include the CMDE provider, QSP, a level I provider, or a level II provider.

(k) Travel time is allowable billing for traveling to and from the person's home, school, a community setting, or place of service outside of an EIDBI center, clinic, or office from a specified location to provide in-person EIDBI intervention, observation and direction, or family caregiver training and counseling. The person's ITP must specify the reasons the provider must travel to the person.

(l) Medical assistance covers medically necessary EIDBI services and consultations delivered via telehealth, as defined under section 256B.0625, subdivision 3b, in the same manner as if the service or consultation was delivered in person.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 68, delete section 28 and insert:

"Sec. 29. Minnesota Statutes 2024, section 256B.0949, subdivision 16, is amended to read:

Subd. 16. **Agency duties.** (a) An agency delivering an EIDBI service under this section must:

(1) enroll as a medical assistance Minnesota health care program provider according to Minnesota Rules, part 9505.0195, and section 256B.04, subdivision 21, and meet all applicable provider standards and requirements;

(2) designate an individual as the agency's compliance officer who must preform the duties described in section 256B.04, paragraph (g);

(3) demonstrate compliance with federal and state laws for the delivery of and billing for EIDBI service;

~~(3)~~ (4) verify and maintain records of a service provided to the person or the person's legal representative as required under Minnesota Rules, parts 9505.2175 and 9505.2197;

~~(4)~~ (5) demonstrate that while enrolled or seeking enrollment as a Minnesota health care program provider the agency did not have a lead agency contract or provider agreement discontinued because of a conviction of fraud; or did not have an owner, board member, or manager fail a state or federal criminal background check or appear on the list of excluded individuals or entities maintained by the federal Department of Human Services Office of Inspector General;

~~(5)~~ (6) have established business practices including written policies and procedures, internal controls, and a system that demonstrates the organization's ability to deliver quality EIDBI services, appropriately submit claims, conduct required staff training, document staff qualifications, document service activities, and document service quality;

~~(6)~~ (7) have an office located in Minnesota or a border state;

~~(7)~~ ~~conduct a criminal background check on an individual who has direct contact with the person or the person's legal representative~~ (8) initiate a background study as required under subdivision 16a;

~~(8)~~ (9) report maltreatment according to section 626.557 and chapter 260E;

~~(9)~~ (10) comply with any data requests consistent with the Minnesota Government Data Practices Act, sections 256B.064 and 256B.27;

~~(10)~~ (11) provide training for all agency staff on the requirements and responsibilities listed in the Maltreatment of Minors Act, chapter 260E, and the Vulnerable Adult Protection Act, section 626.557, including mandated and voluntary reporting, nonretaliation, and the agency's policy for all staff on how to report suspected abuse and neglect;

~~(11)~~ (12) have a written policy to resolve issues collaboratively with the person and the person's legal representative when possible. The policy must include a timeline for when the person and the person's legal representative will be notified about issues that arise in the provision of services;

~~(12)~~ (13) provide the person's legal representative with prompt notification if the person is injured while being served by the agency. An incident report must be completed by the agency staff member in charge of the person. A copy of all incident and injury reports must remain on file at the agency for at least five years from the report of the incident; ~~and~~

~~(13)~~ (14) before starting a service, provide the person or the person's legal representative a description of the treatment modality that the person shall receive, including the staffing certification levels and training of the staff who shall provide a treatment; ~~;~~

(15) provide clinical supervision for a minimum of one hour for every 20 hours of direct treatment per person; and

(16) provide clinical supervision sessions at least once per month for EIDBI intervention observation and direction. Notwithstanding subdivision 13, paragraph (1), clinical supervision sessions under this clause may be conducted via telehealth provided:

(i) the telehealth clinical supervision session is conducted in tandem with a level I or level II provider who is in-person and not billing for any EIDBI services; and

(ii) no more than two consecutive monthly clinical supervision sessions under this clause are conducted via telehealth.

(b) Upon request of the commissioner, an agency delivering services under this section must:

(1) identify the agency's controlling individuals, as defined under section 245A.02, subdivision 5a;

(2) provide disclosures of the use of billing agencies and other consultants; and

(3) provide copies of any contracts with independent contractors for qualified supervising professionals, including hours contracted and responsibilities.

~~(b)~~ (c) When delivering the ITP, and annually thereafter, an agency must provide the person or the person's legal representative with:

(1) a written copy and a verbal explanation of the person's or person's legal representative's rights and the agency's responsibilities;

(2) documentation in the person's file the date that the person or the person's legal representative received a copy and explanation of the person's or person's legal representative's rights and the agency's responsibilities; and

(3) reasonable accommodations to provide the information in another format or language as needed to facilitate understanding of the person's or person's legal representative's rights and the agency's responsibilities.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 70, delete sections 29 and 30 and insert:

"Sec. 30. Minnesota Statutes 2024, section 256B.0949, subdivision 16a, is amended to read:

Subd. 16a. **Background studies.** An early intensive developmental and behavioral intervention services agency must fulfill any background studies requirements under this section by initiating a background study through the commissioner's NETStudy 2.0 system as provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17. Before an individual subject to the background study requirements under this subdivision has direct contact with the person, the agency must have received a notice from the commissioner that the subject of the background study is:

(1) not disqualified under section 245C.14; or

(2) disqualified but the subject of the study has received a set-aside of the disqualification under section 245C.22.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 31. Minnesota Statutes 2024, section 256B.0949, is amended by adding a subdivision to read:

Subd. 18. **Site visits and sanctions.** (a) The commissioner may conduct unannounced on-site inspections of any and all EIDBI agencies and service locations to verify that information submitted to the commissioner is accurate and to determine compliance with all enrollment requirements, to investigate reports of maltreatment; to determine compliance with service delivery and billing requirements; and to determine compliance with any other applicable laws or rules.

(b) The commissioner may withhold payment from an agency or suspend or terminate the agency's enrollment number if the agency fails to provide access to the agency's service locations or records or the commissioner determines the agency has failed to comply fully with applicable laws or rules. The provider has the right to appeal the decision of the commissioner under section 256B.064.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 115, delete section 65 and insert:

"Sec. 66. Minnesota Statutes 2024, section 626.5572, subdivision 13, is amended to read:

Subd. 13. **Lead investigative agency.** "Lead investigative agency" is the primary administrative agency responsible for investigating reports made under section 626.557.

(a) The Department of Health is the lead investigative agency for facilities or services licensed or required to be licensed as hospitals, home care providers, nursing homes, boarding care homes, hospice providers, residential facilities that are also federally certified as intermediate care facilities that serve people with developmental disabilities, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Health for the care of vulnerable adults. "Home care provider" has the meaning provided in section 144A.43, subdivision 4, and applies when care or services are delivered in the vulnerable adult's home.

(b) The Department of Human Services is the lead investigative agency for facilities or services licensed or required to be licensed as adult day care, adult foster care, community residential settings, programs for people with disabilities, EIDBI agencies, family adult day services, mental health programs, mental health clinics, substance use disorder programs, the Minnesota Sex Offender Program, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Human Services. The Department of Human Services is also the lead investigative agency for unlicensed EIDBI agencies under section 256B.0949.

(c) The county social service agency or its designee is the lead investigative agency for all other reports, including, but not limited to, reports involving vulnerable adults receiving services from a personal care provider organization under section 256B.0659.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 124, after line 30, insert:

"Sec. 80. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; DEVELOPMENT OF COMPREHENSIVE EIDBI LICENSE.

(a) By October 1, 2025, the commissioner of human services must convene a working group consisting of staff from the Department of Human Services with policy and clinical expertise related to EIDBI services, and with expertise in licensing standards for other licensed programs and settings, particularly other programs serving children; staff from the Department of Children, Youth, and Families with expertise in the licensing standards for home child care and child care centers; the Early Intensive Developmental and Behavioral Advisory Council; families of individuals receiving EIDBI services; advocates for individuals receiving EIDBI services; and other community partners and interested parties.

(b) The working group must advise the commissioner as the commissioner develops comprehensive EIDBI licensing standards and a plan to transition EIDBI agencies from the provisional license established under Minnesota Statutes, section 245A.142, to a newly established comprehensive EIDBI license. The working group must provide the commissioner with advice on at least the following topics:

(1) basic health and safety standards;

(2) basic physical plant standards;

(3) medication management and other ancillary services that might be provided by EIDBI providers;

(4) privacy and the use of cameras in settings where EIDBI services are being provided;

(5) third-party billing procedures and requirements;

(6) billing standards and policies regarding duplicative, simultaneous, and mid-point billing practices;

(7) measures of clinical effectiveness; and

(8) appropriate restrictions on the commissioner's authority under Minnesota Statutes, section 256B.0949, subdivision 17, to issue exceptions to EIDBI provider qualifications, medical assistance provider enrollment requirements, and EIDBI provider or agency standards or requirements.

(c) By January 1, 2027, the commissioner must propose standards for a nonprovisional, comprehensive EIDBI license or licenses, and submit proposed draft legislation to the chairs and ranking minority members of the legislative committees with jurisdiction over EIDBI services.

Sec. 81. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; TEMPORARY MORATORIUM ON ENROLLMENT OF NEW EIDBI PROVIDERS.

Upon federal approval and subject to continued federal approval, beginning July 1, 2025, the commissioner must not enroll new EIDBI agencies to provide EIDBI services under Minnesota Statutes, chapter 256B, unless the agency is licensed as an EIDBI agency under Minnesota Statutes, chapter 245A, but may enroll new locations where EIDBI services are provided by an agency that was enrolled prior to July 1, 2025.

EFFECTIVE DATE. This section is effective July 1, 2025."

Page 125, delete section 79 and insert:

"Sec. 82. **REPEALER.**

Subdivision 1. **Obsolete home and community-based services licensing provisions.** Minnesota Statutes 2024, section 245A.042, subdivisions 2, 3, and 4, are repealed.

Subd. 2. **Direct care provider premiums.** Laws 2023, chapter 59, article 3, section 11, is repealed.

Subd. 3. **Legislative Task Force on Guardianship.** Laws 2024, chapter 127, article 46, section 39, is repealed.

Subd. 4. **Revision of treatment modalities.** Minnesota Statutes 2024, section 256B.0949, subdivision 9, is repealed.

EFFECTIVE DATE. This section is effective July 1, 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Gruenhagen moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A30):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 24, delete sections 18 to 21

Page 177, after line 5, insert:

"Sec. 3. Minnesota Statutes 2024, section 256L.04, subdivision 10, is amended to read:

Subd. 10. Citizenship requirements. (a) Eligibility for MinnesotaCare is ~~available~~ limited to citizens or nationals of the United States; and lawfully present noncitizens as defined in Code of Federal Regulations, title 45, section 155.20; ~~and~~ and Undocumented noncitizens are ineligible for MinnesotaCare. For purposes of this subdivision, an undocumented noncitizen is an individual who resides in the United States without the approval or acquiescence of the United States Citizenship and Immigration Services. Families with children who are citizens or nationals of the United States must cooperate in obtaining satisfactory documentary evidence of citizenship or nationality according to the requirements of the federal Deficit Reduction Act of 2005, Public Law 109-171.

(b) Notwithstanding subdivisions 1 and 7, eligible persons include families and individuals who are lawfully present and ineligible for medical assistance by reason of immigration status and who have incomes equal to or less than 200 percent of federal poverty guidelines; ~~except that these persons may be eligible for emergency medical assistance under section 256B.06, subdivision 4.~~

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

Page 245, line 28, delete "7,764,972,000" and insert "7,763,640,000" and delete "7,919,683,000" and insert "7,901,684,000"

Page 245, line 32, delete "7,763,011,000" and insert "7,778,302,000" and delete "7,917,494,000" and insert "7,957,534,000"

Page 245, after line 32, insert:

"Health Care Access
Fund (16,623,000) (58,039,000)"

Page 246, line 35, delete "4,309,000" and insert "5,545,000"

Page 246, after line 35, insert:

Subdivision 1. Appropriations by Fund

	<u>Appropriations by Fund</u>	
	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>4,309,000</u>	<u>5,095,000</u>
<u>Health Care Access</u>	<u>1,236,000</u>	<u>0</u>

Page 247, line 7, delete "\$3,536,000" and insert "\$3,385,000" and delete "\$3,352,000" and insert "\$3,201,000"

Page 247, line 9, delete "279,000" and insert "(71,000)" and delete "448,000" and insert "98,000"

Page 247, after line 9, insert:

Subdivision 1. Appropriations by Fund

	<u>Appropriations by Fund</u>	
	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>279,000</u>	<u>448,000</u>
<u>Health Care Access</u>	<u>(350,000)</u>	<u>(350,000)</u>

Renumber the subdivisions in sequence

Page 249, after line 14, insert:

"Sec. 9. **FORECASTED PROGRAMS;**
MINNESOTACARE \$ (17,509,000) \$ (57,689,000)

This appropriation reduction is from the Health Care Access Fund."

Page 249, line 16, delete "7,440,131,000" and insert "7,455,422,000" and delete "7,656,740,000" and insert "7,696,780,000"

Page 281, after line 29, insert:

"Subd. 13. **Transfer from the health care access fund to the general fund.** The commissioner of management and budget must transfer \$15,291,000 in fiscal year 2026 and \$40,040,000 in fiscal year 2027 from the health care access fund under Minnesota Statutes, section 256.043, subdivision 1, to the general fund. For fiscal years 2028 through 2031, the commissioner of management and budget must include a transfer of \$47,422,000 in fiscal year 2028 and \$54,354,000 each year thereafter from the health care access fund to the general fund, when preparing each forecast from the effective date of this section through the February 2027 forecast, under Minnesota Statutes, section 16A.103."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Correct the subdivision and section totals and the appropriations by fund

Senator Hoffman questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Rasmusson appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong
Fateh	Klein	McEwen	Port	

Pursuant to Rule 40, Senator Westlin cast the affirmative vote on behalf of the following Senators: Klein, Kunesh, Marty, McEwen, Murphy, Port, and Xiong.

Those who voted in the negative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Farnsworth	Johnson	Mathews	Weber
Coleman	Green	Koran	Miller	Wesenberg
Dahms	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Lang and Mathews.

So the decision of the President was sustained.

Senator Utke moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A29):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 92, delete section 44

Page 177, after line 5, insert:

"Sec. 3. Minnesota Statutes 2024, section 256L.04, subdivision 10, is amended to read:

Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is ~~available~~ limited to citizens or nationals of the United States; and lawfully present noncitizens as defined in Code of Federal Regulations, title 45, section 155.20; ~~and~~ Undocumented noncitizens are ineligible for MinnesotaCare. For purposes of this subdivision, an undocumented noncitizen is an individual who resides in the United States without the approval or acquiescence of the United States Citizenship and Immigration Services. Families with children who are citizens or nationals of the United States must cooperate in obtaining satisfactory documentary evidence of citizenship or nationality according to the requirements of the federal Deficit Reduction Act of 2005, Public Law 109-171.

(b) Notwithstanding subdivisions 1 and 7, eligible persons include families and individuals who are lawfully present and ineligible for medical assistance by reason of immigration status and who have incomes equal to or less than 200 percent of federal poverty guidelines, ~~except that these persons may be eligible for emergency medical assistance under section 256B.06, subdivision 4.~~

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

Page 245, line 28, delete "7,764,972,000" and insert "7,762,582,000" and delete "7,919,683,000" and insert "7,898,819,000"

Page 245, line 32, delete "7,763,011,000" and insert "7,777,244,000" and delete "7,917,494,000" and insert "7,954,669,000"

Page 245, after line 32, insert:

"Health Care Access
Fund (16,623,000) (58,039,000)"

Page 246, line 35, delete "4,309,000" and insert "5,545,000" and delete "5,281,000" and insert "5,281,000"

Page 246, after line 35, insert:

"Subdivision 1. Appropriations by Fund

	<u>Appropriations by Fund</u>	
	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>4,309,000</u>	<u>5,095,000</u>
<u>Health Care Access</u>	<u>1,236,000</u>	<u>0</u> "

Page 247, line 7, delete "\$3,536,000" and insert "\$3,385,000" and delete "\$3,352,000" and insert "\$3,201,000"

Page 247, line 9, delete "279,000" and insert "(71,000)" and delete "448,000" and insert "98,000"

Page 247, after line 9, insert:

"Subdivision 1. Appropriations by Fund

	<u>Appropriations by Fund</u>	
	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>279,000</u>	<u>448,000</u>
<u>Health Care Access</u>	<u>(350,000)</u>	<u>(350,000)</u> "

Renumber the subdivisions in sequence

Page 247, line 21, delete "5,513,000" and insert "5,225,000" and delete "3,245,000" and insert "2,909,000"

Page 248, line 20, delete "\$3,219,000" and insert "\$2,883,000" and delete "\$3,219,000" and insert "\$2,883,000"

Page 249, after line 14, insert:

**"Sec. 9. FORECASTED PROGRAMS;
MINNESOTACARE**

\$ (17,509,000) \$ (57,689,000)

This appropriation reduction is from the Health Care Access Fund."

Page 249, line 16, delete "7,440,131,000" and insert "7,454,652,000" and delete "7,656,740,000" and insert "7,694,251,000"

Page 281, after line 29, insert:

"Subd. 13. Transfer from the health care access fund to the general fund. The commissioner of management and budget must transfer \$14,325,000 in fiscal year 2026 and \$37,283,000 in fiscal year 2027 from the health care access fund under Minnesota Statutes, section 256.043, subdivision 1, to the general fund. For fiscal years 2028 through 2031, the commissioner of management and budget must include a transfer of \$39,846,000 in fiscal year 2028 and \$43,521,000 each year thereafter from the health care access fund to the general fund, when preparing each forecast from the effective date of this section through the February 2027 forecast, under Minnesota Statutes, section 16A.103."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Correct the subdivision and section totals and the appropriations by fund

Senator Hoffman questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Rasmusson appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong
Fateh	Klein	McEwen	Port	

Pursuant to Rule 40, Senator Westlin cast the affirmative vote on behalf of the following Senators: Klein, Latz, Marty, McEwen, Murphy, Port, and Xiong.

Those who voted in the negative were:

Abeler	Duckworth	Jasinski	Lucero	Utke
Anderson	Farnsworth	Johnson	Mathews	Weber
Bahr	Green	Koran	Miller	Wesenberg
Coleman	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	
Drazkowski	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senator: Lang.

So the decision of the President was sustained.

Senator Rasmusson moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A50):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 243, after line 21, insert:

"Section 1. Minnesota Statutes 2024, section 256.01, is amended by adding a subdivision to read:

Subd. 44. **Implementation of audit recommendations.** No later than February 1 each year following a year in which the Department of Human Services was subject to an audit under section 3.971, the commissioner must submit to the chairs and ranking minority members of the legislative committees with fiscal jurisdiction over the Department of Human Services a report detailing whether the department has implemented any recommendations identified during the prior five years by the legislative auditor in a financial audit, program evaluation, or special review. The report must include a specific itemization of recommendations that have not been implemented during that period, along with the basis for that decision."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Gruenhagen moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A24):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 245, line 28, delete "7,764,972,000" and insert "7,764,603,000" and delete "7,919,683,000" and insert "7,919,747,000"

Page 245, line 32, delete "7,763,011,000" and insert "7,762,642,000" and delete "7,917,494,000" and insert "7,917,558,000"

Page 246, line 35, delete "4,309,000" and insert "9,494,000" and delete "5,281,000" and insert "10,715,000"

Page 247, after line 4, insert:

"Subd. 2. Program Integrity Investigative Analytics Infrastructure

\$2,768,000 in fiscal year 2026 and \$3,194,000 in fiscal year 2027 are for data analytics and case management software to detect and prevent fraud in the medical assistance program."

Renumber the subdivisions in sequence

Page 247, line 7, delete "3,536,000" and insert "7,713,000" and delete "3,352,000" and insert "7,500,000"

Page 249, line 2, delete "4,257,000" and insert "4,730,000" and delete "5,105,000" and insert "5,664,000"

Page 249, line 6, delete "4,029,000" and insert "4,502,000" and delete "4,649,000" and insert "5,208,000"

Page 249, line 11, delete "4,648,000" and insert "5,207,000" and delete "4,648,000" and delete "5,207,000"

Page 250, line 18, delete "3,197,000" and insert "2,964,000" and delete "1,925,000" and insert "1,761,000"

Page 251, line 12, delete "40,804,000" and insert "37,925,000" and delete "40,805,000" and insert "37,926,000"

Page 255, line 30, delete "42,969,000" and insert "40,090,000"

Page 255, line 31, delete "42,969,000" and insert "40,090,000"

Page 255, line 33, delete "2,886,000" and insert "2,641,000" and delete "2,886,000" and delete "2,641,000"

Page 256, line 2, delete "68,022,000" and insert "65,629,000" and delete "28,793,000" and insert "26,428,000"

Page 265, line 17, delete "\$28,293,000" and insert "\$25,928,000"

Page 265, line 18, delete "28,293,000" and insert "25,928,000"

Page 266, line 25, delete "5,826,000" and insert "5,550,000" and delete "4,825,000" and insert "4,549,000"

Page 266, line 29, delete "4,093,000" and insert "3,817,000" and delete "3,092,000" and insert "2,816,000"

Page 270, line 15, delete "2,658,000" and insert "2,382,000" and delete "2,658,000" and insert "2,382,000"

Page 281, after line 30, insert:

"Sec. 24. **GRANT REDUCTIONS.**

The commissioner of human services must reduce other long term grants; aging and adult services grants; deaf, deafblind and hard of hearing grants; disability grants; and behavioral health grants in this act by 8.5 percent beginning on July 1, 2025. To implement these reductions, grant contracts must be amended to reflect the reduction in available grant funding."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Correct the subdivision and section totals and the appropriations by fund

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Jasinski	Lucero	Utke
Anderson	Farnsworth	Johnson	Mathews	Weber
Bahr	Green	Koran	Miller	Wesenberg
Coleman	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	
Drazkowski	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senator: Lang.

Those who voted in the negative were:

Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong
Fateh	Klein	McEwen	Port	

Pursuant to Rule 40, Senator Westlin cast the negative vote on behalf of the following Senators: Klein, Latz, Marty, McEwen, Murphy, Port, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Rasmusson moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A52):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 245, line 28, delete "7,764,972,000" and insert "7,769,972,000" and delete "7,919,683,000" and insert "7,929,683,000"

Page 245, line 32, delete "7,763,011,000" and insert "7,768,011,000" and delete "7,917,494,000" and insert "7,927,494,000"

Page 249, line 16, delete "7,440,131,000" and insert "7,445,131,000" and delete "7,656,740,000" and insert "7,666,740,000"

Page 249, after line 16, insert:

"Additional Critical Access Nursing Facility Funding

Up to \$5,000,000 in fiscal year 2026 and up to \$10,000,000 in fiscal year 2027 are for supplemental payments under Minnesota Statutes, section 256R.47, to designated critical access nursing facilities. The base for this appropriation is \$17,500,000 in fiscal year 2028, \$17,500,000 in fiscal year 2029, and \$0 each year thereafter."

Page 281, after line 29, insert:

"Subd. 13. Transfer from the long-term services and supports loan account to the general fund. The commissioner of management and budget must transfer unencumbered money from the long-term services and supports loan account under Minnesota Statutes, section 256.4792, subdivision 8a, in the special revenue fund, to the general fund. The amounts transferred must not exceed

\$5,000,000 in fiscal year 2026 and \$10,000,000 in fiscal year 2027. For fiscal years 2028 through 2031, the commissioner of management and budget must include an assumption that a transfer of \$17,500,000 in fiscal year 2028, \$17,500,000 in fiscal year 2029, and \$0 each year thereafter of unencumbered money in the long-term services and supports loan account from the special revenue fund to the general fund, when preparing each forecast from the effective date of this section through the February 2027 forecast, under Minnesota Statutes, section 16A.103."

Correct the subdivision and section totals and the appropriations by fund

The motion prevailed. So the amendment was adopted.

Senator Fateh moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A33):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 228, delete section 5 and insert:

"Sec. 5. Minnesota Statutes 2024, section 144G.31, subdivision 8, is amended to read:

Subd. 8. **Deposit of fines.** (a) Fines collected under this section shall be deposited in a dedicated special revenue account. On an annual basis, the balance in the special revenue account shall be appropriated to a competitive grant program for assisted living providers licensed under chapter 144G or other organizations with experience in assisted living operations, compliance, and best practices for the purpose of the commissioner for special projects to improve resident quality of care and outcomes in assisted living facilities licensed under this chapter in Minnesota. A provider with a provisional license under chapter 144G is not eligible to apply. The balance in the special revenue account as of January 1, 2026, must be appropriated for grants within two years, provided there are enough grant requests totaling the sum in the account. Thereafter, money in the special revenue account must be appropriated annually as recommended by the advisory council established in section 144A.4799, or as recommended by the commissioner after the advisory council's review and approval. The minimum amount of a grant award is \$10,000. The commissioner may retain up to ten percent of the amount available to cover costs to administer the grants under this section.

(b) The commissioner must publish on the department's website an annual report on the fines assessed and collected, and how the appropriated money was allocated."

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Senator Maye Quade imposed a call of the Senate for the balance of the proceedings on the Maye Quade (A34) amendment to H.F. No. 2434. The Sergeant at Arms was instructed to bring in the absent members.

Senator Maye Quade moved to amend H.F. No. 2434, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A34):

(The text of the amended House File is identical to S.F. No. 3054.)

Page 115, after line 18, insert:

"Sec. 65. [325M.40] DATA SHARING PROHIBITED; CERTAIN AUTISM STUDIES.

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

(b) "Business" means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, or any other legal entity that engages in either nonprofit or profit-making activities.

(c) "Consent" means a freely given, specific, informed, unambiguous, and written indication of the individual's wishes by which the individual agrees to dissemination of their data. Acceptance of a general or broad terms of use or similar document that contains descriptions of the authority to disseminate data along with other, unrelated information does not constitute consent.

(d) "Government entity" has the meaning given in section 13.02, subdivision 7a.

(e) "Health care provider" means a provider under section 144.291, subdivision 2, paragraph (i), and includes health care providers who provide telehealth services to Minnesota residents.

Subd. 2. Dissemination prohibited. (a) A business, health care provider, or government entity must not disseminate the following data, without the consent of the individual who is the subject of the data, for purposes of researching autism as a preventable disease:

(1) data identifying an individual, including names, birthdates, addresses, telephone numbers, or electronic mail addresses; or

(2) any other data that could reasonably be used to identify an individual.

(b) Nothing in this section prohibits an individual from transmitting their own identifying data for the purposes of researching autism as a preventable disease.

Subd. 3. Enforcement. The attorney general may enforce this section pursuant to section 8.31. A government entity that violates this section is subject to the remedies and penalties under sections 13.08, 13.085, and 13.09.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Rasmusson questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

H.F. No. 2434 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Klein	McEwen	Port
Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong

Pursuant to Rule 40, Senator Westlin cast the affirmative vote on behalf of the following Senators: Hauschild, Klein, Marty, McEwen, Murphy, Port, Wiklund, and Xiong.

Those who voted in the negative were:

Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Farnsworth	Johnson	Mathews	Weber
Coleman	Green	Koran	Miller	Wesenberg
Dahms	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	
Drazkowski	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Anderson, Coleman, Johnson, Lieske, Rarick, and Weber.

So the bill, as amended, was passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 2115: A bill for an act relating to human services; modifying policy provisions relating to aging and disability services, the Department of Health, Direct Care and Treatment, behavioral health, and the Department of Human Services Office of Inspector General; recodifying statutory language relating to assertive community treatment and intensive residential treatment services; modifying children's mental health terminology; codifying requirement for notification of federal approval; making conforming changes; amending Minnesota Statutes 2024, sections 3.757, subdivision 1; 13.46, subdivisions 3, 4; 15.471, subdivision 6; 43A.241; 62J.495, subdivision 2; 62Q.527, subdivisions 1, 2, 3; 97A.441, subdivision 3; 121A.61, subdivision 3; 128C.02, subdivision 5; 142E.51, subdivisions 5, 6, by adding a subdivision; 142G.02, subdivision 56; 142G.27, subdivision 4; 142G.42, subdivision 3; 144.0724, subdivisions 2, 3a, 4, 9; 144.53; 144.651, subdivisions 2, 4, 10a, 20, 31, 32; 144A.07; 144A.61, by adding subdivisions; 144A.70, subdivisions 3, 7, by adding subdivisions; 144G.10, subdivisions 1, 1a, 5; 144G.16, subdivision 3; 144G.19, by adding a subdivision; 144G.52, by adding a subdivision; 144G.53; 144G.70, subdivision 2; 144G.81, subdivision 1; 144G.91, by adding a subdivision; 146A.08, subdivision 4; 147.091, subdivision 6; 147A.13, subdivision 6; 148.10, subdivision 1; 148.235, subdivision 10; 148.261, subdivision 5; 148.754; 148B.5905; 148F.09, subdivision 6; 148F.11, subdivision 1; 150A.08, subdivision 6; 151.071, subdivision 10; 153.21, subdivision 2; 153B.70; 169A.284; 244.052, subdivision 4; 245.462, subdivision 4; 245.4662, subdivision 1; 245.4682, subdivision 3; 245.469; 245.481; 245.4835, subdivision 2; 245.4863; 245.487, subdivision 2; 245.4871, subdivisions 3, 4, 6, 13, 15, 17, 19, 21, 22, 28, 29, 31, 32, 34, by adding a subdivision; 245.4873, subdivision 2; 245.4874, subdivision 1; 245.4875, subdivision 5; 245.4876, subdivisions 4, 5; 245.4877; 245.488, subdivisions 1, 3; 245.4881,

subdivisions 1, 3, 4; 245.4882, subdivisions 1, 5; 245.4884; 245.4885, subdivision 1; 245.4889, subdivision 1; 245.4901, subdivision 3; 245.4906, subdivision 2; 245.4907, subdivisions 2, 3; 245.491, subdivision 2; 245.492, subdivision 3; 245.50, subdivision 2; 245.52; 245.697, subdivision 2a; 245.735, subdivision 3b; 245.814, subdivision 3; 245.826; 245.91, subdivisions 2, 4; 245.92; 245.94, subdivision 1; 245A.03, subdivision 2; 245A.04, subdivisions 1, 7; 245A.16, subdivision 1; 245A.242, subdivision 2; 245A.26, subdivisions 1, 2; 245C.05, by adding a subdivision; 245C.08, subdivision 3; 245C.22, subdivision 5; 245D.02, subdivision 4a; 245D.091, subdivision 3; 245F.06, subdivision 2; 245G.05, subdivision 1; 245G.06, subdivisions 1, 2a, 3a; 245G.07, subdivision 2; 245G.08, subdivision 6; 245G.09, subdivision 3; 245G.11, subdivisions 7, 11; 245G.18, subdivision 2; 245G.19, subdivision 4, by adding a subdivision; 245G.22, subdivisions 1, 14, 15; 245I.05, subdivisions 3, 5; 245I.06, subdivision 3; 245I.11, subdivision 5; 245I.12, subdivision 5; 246.585; 246C.06, subdivision 11; 246C.12, subdivisions 4, 6; 246C.20; 252.27, subdivision 1; 252.291, subdivision 3; 252.43; 252.46, subdivision 1a; 252.50, subdivision 5; 253B.07, subdivision 2b; 253B.09, subdivision 3a; 253B.10, subdivision 1; 253B.141, subdivision 2; 253B.18, subdivision 6; 253B.19, subdivision 2; 253D.14, subdivision 3; 253D.27, subdivision 2; 253D.28; 253D.29, subdivisions 1, 2, 3; 253D.30, subdivisions 3, 4, 5, 6; 253D.31; 254A.19, subdivision 6; 254B.04, subdivision 1a; 254B.05, subdivisions 1, 1a, 5; 256.01, subdivisions 2, 5, by adding a subdivision; 256.019, subdivision 1; 256.0281; 256.0451, subdivisions 1, 3, 6, 8, 9, 18, 22, 23, 24; 256.478, subdivision 2; 256.4825; 256.93, subdivision 1; 256.98, subdivisions 1, 7; 256B.02, subdivision 11; 256B.055, subdivision 12; 256B.0615, subdivisions 1, 3, 4; 256B.0616, subdivisions 1, 4, 5; 256B.0622, subdivisions 1, 3a, 7a, 8, 11, 12; 256B.064, subdivision 1a; 256B.0757, subdivision 2; 256B.092, subdivisions 1a, 10, 11a; 256B.0943, subdivisions 1, 3, 9, 12, 13; 256B.0945, subdivision 1; 256B.0946, subdivision 6; 256B.0947, subdivision 3a; 256B.49, subdivisions 13, 29; 256B.4911, subdivision 6; 256B.4914, subdivisions 10a, 10d; 256B.69, subdivision 23; 256B.77, subdivision 7a; 256B.82; 256D.44, subdivision 5; 256G.09, subdivisions 4, 5; 256I.04, subdivision 2c; 256L.03, subdivision 5; 256R.38; 256R.40, subdivision 5; 260B.157, subdivision 3; 260C.007, subdivisions 16, 26d, 27b; 260C.157, subdivision 3; 260C.201, subdivisions 1, 2; 260C.301, subdivision 4; 260D.01; 260D.02, subdivisions 5, 9; 260D.03, subdivision 1; 260D.04; 260D.06, subdivision 2; 260D.07; 260E.11, subdivision 3; 295.50, subdivision 9b; 299F.77, subdivision 2; 342.04; 352.91, subdivision 3f; 401.17, subdivision 1; 480.40, subdivision 1; 507.071, subdivision 1; 611.57, subdivisions 2, 4; 624.7131, subdivisions 1, 2; 624.7132, subdivisions 1, 2; 624.714, subdivisions 3, 4; 631.40, subdivision 3; Laws 2023, chapter 70, article 7, section 34; proposing coding for new law in Minnesota Statutes, chapters 245; 246C; 256B; 256G; 609; repealing Minnesota Statutes 2024, sections 144G.9999, subdivisions 1, 2, 3; 245.4862; 245A.042, subdivisions 2, 3, 4; 245A.11, subdivision 8; 246.015, subdivision 3; 246.50, subdivision 2; 246B.04, subdivision 1a; 256B.0622, subdivision 4; Laws 2024, chapter 79, article 1, sections 15; 16; 17; Minnesota Rules, part 9505.0250, subparts 1, 2, 3.

Senator Hoffman moved to amend H.F. No. 2115, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A-1):

(The text of the amended House File is identical to S.F. No. 2443.)

Pages 6 to 7, delete sections 9 to 11

Page 11, delete lines 10 and 11 and insert:

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

Page 14, line 19, strike "stakeholders" and insert "community partners"

Page 16, line 28, strike "Stakeholder" and insert "Community" and strike "county"

Page 16, line 29, strike "existing stakeholder group" and insert "DWRS advisory committee"

Page 17, line 1, strike "others" and insert "other community partners"

Page 17, line 8, strike "shall" and insert "must" and strike "shall" and insert "must"

Page 17, line 9, strike "all stakeholders including"

Page 17, line 12, strike "shall" and insert "must"

Page 17, line 14, delete "existing stakeholder groups" and insert "the DWRS advisory committee and other community partners"

Page 19, delete sections 21 and 22

Page 20, delete sections 23 and 24 and insert:

"Sec. 18. Laws 2021, First Special Session chapter 7, article 13, section 75, subdivision 3, as amended by Laws 2024, chapter 108, article 1, section 28, subdivision 3, is amended to read:

Subd. 3. **Waiver Reimagine Advisory Committee.** (a) The commissioner must convene, at regular intervals throughout the development and implementation of waiver reimagine phase II, a Waiver Reimagine Advisory Committee that consists of a group of diverse, representative stakeholders. The commissioner must solicit and endeavor to include racially, ethnically, and geographically diverse membership from each of the following groups:

- (1) people with disabilities who use waiver services;
- (2) family members of people who use waiver services;
- (3) disability and behavioral health advocates;
- (4) lead agency representatives; and
- (5) waiver service providers.

(b) The commissioner must ensure that the Waiver Reimagine Advisory Committee specifically requests input from the following when compiling its final report:

- (1) individuals presently receiving waiver benefits who are under the age of 65;
- (2) individuals assessed to receive ten or more hours of waiver services per day;
- (3) county employees who conduct long-term care consultation services assessments for persons under the age of 65;

(4) employees of the Department of Human Services with knowledge of the requirements for a provider to participate in waiver service programs and of the administration of benefits;

(5) the Minnesota Council on Disability;

(6) family members of individuals under the age of 18 who are receiving waived services;

(7) family members of individuals aged 18 or older and under age 65 who are receiving waived services;

(8) providers of waived services for persons who are under the age of 65;

(9) the Council on Developmental Disabilities;

(10) the Office of Ombudsman for Mental Health and Developmental Disabilities;

(11) the Olmstead Implementation Office; and

(12) the Home Care Association.

~~(b)~~ (c) The assistant commissioner of aging and disability services must attend and participate in meetings of the Waiver Reimagine Advisory Committee.

~~(e)~~ (d) The Waiver Reimagine Advisory Committee must have the opportunity to collaborate in a meaningful way in developing and providing feedback on proposed plans for waiver reimagine components, including an individual budget methodology, criteria and a process for individualized budget exemptions, the consolidation of the four current home and community-based waiver service programs into two-waiver programs, the role of assessments and the MnCHOICES 2.0 assessment tool in determining service needs and individual budgets, and other aspects of waiver reimagine phase II.

~~(d)~~ (e) The Waiver Reimagine Advisory Committee must have an opportunity to assist in the development of and provide feedback on proposed adjustments and modifications to the streamlined menu of services and the existing rate exception criteria and process."

Page 22, delete sections 25 and 26 and insert:

"Sec. 19. Laws 2021, First Special Session chapter 7, article 13, section 75, subdivision 4, as amended by Laws 2024, chapter 108, article 1, section 28, is amended to read:

Subd. 4. **Required report.** Prior to seeking federal approval for any aspect of waiver reimagine phase II and in collaboration with the Waiver Reimagine Advisory Committee, the commissioner must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services a report on plans for waiver reimagine phase II, as well as the actual Waiver Reimagine waiver plan intended to be submitted for federal approval. The report must also include any plans to a clear explanation of how the proposed waiver plan submitted with the report will adjust or modify the streamlined menu of services, the existing rate or budget exemption criteria or process, the; will establish proposed individual budget ranges, budgets based on the assessed needs of the individual; and the role of will utilize the MnCHOICES 2.0 assessment tool in determining to determine service needs and individual budget ranges budgets."

Page 23, delete section 29

Page 24, delete sections 30 and 31

Pages 34 to 36, delete sections 8 to 11

Page 40, line 24, delete everything after "20" and insert a period

Page 40, delete line 25

Page 43, delete section 29 and insert:

"Sec. 25. Minnesota Statutes 2024, section 144G.51, is amended to read:

144G.51 ARBITRATION.

(a) An assisted living facility must clearly and conspicuously disclose, in writing in an assisted living contract, any arbitration provision in the contract that precludes, limits, or delays the ability of a resident from taking a civil action.

(b) An arbitration requirement provision must not include a choice of law or choice of venue provision. Assisted living contracts must adhere to Minnesota law and any other applicable federal or local law.

(c) An assisted living facility must not require any resident or the resident's representative to sign an agreement for binding arbitration as a condition of admission to, or as a requirement to continue to receive care at, the facility."

Page 47, lines 22 and 28, after "nurse" insert ", advanced practice registered nurse,"

Pages 50 to 52, delete sections 39 to 42

Page 124, line 21, reinstate stricken "~~Department of~~"

Page 124, line 22, delete the new language and insert "Corrections"

Page 134, after line 7, insert:

"Sec. 3. Minnesota Statutes 2024, section 245F.06, subdivision 2, is amended to read:

Subd. 2. **Comprehensive assessment.** (a) Prior to a medically stable discharge, but not later than 72 hours following admission, a license holder must provide a comprehensive assessment according to sections 245.4863, paragraph (a), and 245G.05, for each patient who has a positive screening for a substance use disorder. If a patient's medical condition prevents a comprehensive assessment from being completed within 72 hours, the license holder must document why the assessment was not completed. The comprehensive assessment must include documentation of the appropriateness of an involuntary referral through the civil commitment process.

(b) If available to the program, a patient's previous comprehensive assessment may be used in the patient record. If a previously completed comprehensive assessment is used, its contents must be reviewed to ensure the assessment is accurate and current and complies with the requirements

of this chapter. The review must be completed by a staff person qualified according to section ~~245G.11, subdivision 5~~ 245G.05. The license holder must document that the review was completed and that the previously completed assessment is accurate and current, or the license holder must complete an updated or new assessment."

Page 135, delete section 4 and insert:

"Sec. 5. Minnesota Statutes 2024, section 245G.11, subdivision 7, is amended to read:

Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination must be provided by qualified staff. An individual is qualified to provide treatment coordination if the individual meets the qualifications of an alcohol and drug counselor under subdivision 5 or if the individual:

(1) is skilled in the process of identifying and assessing a wide range of client needs;

(2) is knowledgeable about local community resources and how to use those resources for the benefit of the client;

(3) ~~has successfully completed 30~~ 15 hours of ~~classroom instruction on treatment education or training on substance use disorder, co-occurring conditions, and care coordination for an individual~~ individuals with substance use disorder or co-occurring conditions that is consistent with national evidence-based standards;

(4) ~~has either~~ meets one of the following criteria:

(i) has a high school diploma or equivalent;

(ii) has a bachelor's degree in one of the behavioral sciences or related fields; or

~~(ii) current certification as an alcohol and drug counselor, level I, by the Upper Midwest Indian Council on Addictive Disorders~~ (iii) is a mental health practitioner that meets the qualifications under section 245I.04, subdivision 4; and

(5) ~~either~~ has at least 2,000 1,000 hours of supervised experience working with individuals with substance use disorder or co-occurring conditions or receives treatment supervision at least once per week until obtaining 1,000 hours of supervised experience working with individuals with substance use disorder or co-occurring conditions.

~~(b) A treatment coordinator must receive at least one hour of supervision regarding individual service delivery from an alcohol and drug counselor, or a mental health professional who has substance use treatment and assessments within the scope of their practice, on a monthly basis. An alcohol and drug counselor or a mental health professional who has substance use treatment and assessments within the scope of their practice, must provide the following levels of supervision:~~

(1) treatment coordinators that have not yet obtained 1,000 hours of supervised experience as required in paragraph (a), clause (5), must receive at least one hour of weekly supervision; or

(2) treatment coordinators that have obtained at least 1,000 hours of supervised experience as required in paragraph (a), clause (5), must receive at least one hour per month of supervision."

Page 137, after line 19, insert:

"Sec. 7. Minnesota Statutes 2024, section 254A.19, subdivision 6, is amended to read:

Subd. 6. **Assessments for detoxification programs.** For detoxification programs licensed under chapter 245A according to Minnesota Rules, parts 9530.6510 to 9530.6590, a "chemical use assessment" is a comprehensive assessment completed according to the requirements of section 245G.05 ~~and a "chemical dependency assessor" or "assessor" is an individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.~~

Sec. 8. Minnesota Statutes 2024, section 254A.19, subdivision 7, is amended to read:

Subd. 7. **Assessments for children's residential facilities.** For children's residential facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to 2960.0220 and 2960.0430 to 2960.0490, a "chemical use assessment" is a comprehensive assessment completed according to the requirements of section 245G.05 ~~and must be completed by an individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.~~

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Rasmusson moved to amend H.F. No. 2115, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A-6):

(The text of the amended House File is identical to S.F. No. 2443.)

Page 36, delete section 12 and insert:

"Sec. 12. Minnesota Statutes 2024, section 144A.08, is amended by adding a subdivision to read:

Subd. 1c. **Historic preservation exemptions.** A facility on the National Register of Historic Places and located in Fergus Falls that has previously operated as or is currently operating as a nursing home, assisted living facility, or assisted living facility with dementia care is exempted from any new minimum design standards established, modified, or updated after the date of the facility's initial licensure as a nursing home assisted living facility, or assisted living facility with dementia care related to the construction, maintenance, equipping, and operation of the physical plant of a nursing homes.

Page 43, delete section 27 and insert:

"Sec. 27. Minnesota Statutes 2024, section 144G.45, is amended by adding a subdivision to read:

Subd. 8. **Historic preservation exemption.** A facility on the National Register of Historic Places and located in Fergus Falls that has previously operated as or is currently operating as a nursing home, assisted living facility, or assisted living facility with dementia care is exempted from

any new minimum design standards established, modified, or updated after the date of the facility's initial licensure as a nursing home assisted living facility, or assisted living facility with dementia care related to the construction, maintenance, equipping, and operation of the physical plant of an assisted living facility or assisted living facility with dementia care."

The motion prevailed. So the amendment was adopted.

Senator Gruenhagen moved to amend H.F. No. 2115, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A-4):

(The text of the amended House File is identical to S.F. No. 2443.)

Page 53, after line 2, insert:

"Sec. 43. CONTINGENT EFFECTIVE DATES; TRAINING AND REGULATION PROVISIONS.

Notwithstanding any effective date to any section in this article of this law, no section of this article of this law providing for additional training of staff of licensed long-term care facilities or additional regulation of a licensed long-term care facility is effective prior to the commissioner of health proving that the additional training or additional regulation will have a direct positive impact on patient or resident safety while not imposing a financial hardship on the provider."

Renumber the sections in sequence and correct the internal references

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Utke
Anderson	Duckworth	Jasinski	Mathews	Weber
Bahr	Farnsworth	Johnson	Miller	Wesenberg
Coleman	Green	Koran	Nelson	Westrom
Dahms	Gruenhagen	Kreun	Pratt	
Dornink	Heintzeman	Lang	Rarick	
Draheim	Housley	Lieske	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Johnson, Lieske, and Weber.

Those who voted in the negative were:

Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong
Fateh	Klein	McEwen	Port	

Pursuant to Rule 40, Senator Westlin cast the negative vote on behalf of the following Senators: Hauschild, Klein, Marty, McEwen, Murphy, Port, and Xiong.

The motion did not prevail. So the amendment was not adopted.

Senator Maye Quade moved to amend H.F. No. 2115, as amended pursuant to Rule 45, adopted by the Senate May 6, 2025, as follows (A50):

(The text of the amended House File is identical to S.F. No. 2443.)

Page 2, line 9, before "A" insert "(a)"

Page 2, after line 11, insert:

"(b) A license holder is prohibited from disseminating the following data, without the consent of the individual who is the subject of the data, for purposes of researching autism as a preventable disease:

(1) data identifying an individual, including names, birthdates, addresses, telephone numbers, or email addresses; or

(2) any other data that could reasonably be used to identify an individual.

Nothing in this paragraph prohibits an individual from transmitting their own identifying data for the purposes of researching autism as a preventable disease."

Senator Rasmusson moved to amend the Maye Quade (A50) amendment to H.F. No. 2115 as follows (A51):

Page 1, line 7, delete everything after "data"

Page 1, line 8, delete everything before the colon

Page 1, line 13, delete everything after data and insert a period

The question was taken on the adoption of the Rasmusson (A51) amendment to the Maye Quade (A50) amendment.

The roll was called, and there were yeas 33 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Drazkowski	Howe	Limmer	Rasmusson
Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Farnsworth	Johnson	Mathews	Weber
Coleman	Green	Koran	Miller	Wesenberg
Dahms	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the affirmative vote on behalf of the following Senators: Johnson, Lieske, and Weber.

Those who voted in the negative were:

Boldon	Champion	Cwodzinski	Fateh	Gustafson
Carlson	Clark	Dibble	Frentz	Hauschild

Hawj	Kupec	McEwen	Pappas	Seeberger
Hoffman	Latz	Mitchell	Pha	Westlin
Johnson Stewart	Mann	Mohamed	Port	Wiklund
Klein	Marty	Murphy	Putnam	Xiong
Kunesh	Maye Quade	Oumou Verbeten	Rest	

Pursuant to Rule 40, Senator Westlin cast the negative vote on behalf of the following Senators: Klein, Marty, McEwen, Port, and Xiong.

The motion did not prevail. So the amendment to the amendment was not adopted.

Senator Lucero moved to amend the Maye Quade (A50) amendment to H.F. No. 2115 as follows (A52):

Page 1, line 10, delete the first "or" and after "addresses" insert ", or biometric information"

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the adoption of the Maye Quade (A50) amendment, as amended.

The roll was called, and there were yeas 39 and nays 28, as follows:

Those who voted in the affirmative were:

Abeler	Draheim	Johnson Stewart	McEwen	Putnam
Boldon	Duckworth	Klein	Mitchell	Rest
Carlson	Fatch	Kunesh	Mohamed	Seeberger
Champion	Frentz	Kupec	Murphy	Westlin
Clark	Gustafson	Latz	Oumou Verbeten	Westrom
Coleman	Hauschild	Mann	Pappas	Wiklund
Cwodzinski	Hawj	Marty	Pha	Xiong
Dibble	Hoffman	Maye Quade	Port	

Pursuant to Rule 40, Senator Westlin cast the affirmative vote on behalf of the following Senators: Marty, McEwen, Port, Rest, and Xiong.

Those who voted in the negative were:

Anderson	Green	Johnson	Lucero	Rasmusson
Bahr	Gruenhagen	Koran	Mathews	Utke
Dahms	Heintzeman	Kreun	Miller	Weber
Dornink	Housley	Lang	Nelson	Wesenberg
Drazkowski	Howe	Lieske	Pratt	
Farnsworth	Jasinski	Limmer	Rarick	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Johnson and Lieske.

The motion prevailed. So the amendment, as amended, was adopted.

H.F. No. 2115 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

Abeler	Fateh	Klein	McEwen	Port
Boldon	Frentz	Kunesh	Mitchell	Putnam
Carlson	Gustafson	Kupec	Mohamed	Rest
Champion	Hauschild	Latz	Murphy	Seeberger
Clark	Hawj	Mann	Oumou Verbeten	Westlin
Cwodzinski	Hoffman	Marty	Pappas	Wiklund
Dibble	Johnson Stewart	Maye Quade	Pha	Xiong

Pursuant to Rule 40, Senator Westlin cast the affirmative vote on behalf of the following Senators: Marty, McEwen, Port, Rest, and Xiong.

Those who voted in the negative were:

Anderson	Duckworth	Jasinski	Lucero	Utke
Bahr	Farnsworth	Johnson	Mathews	Weber
Coleman	Green	Koran	Miller	Wesenberg
Dahms	Gruenhagen	Kreun	Nelson	Westrom
Dornink	Heintzeman	Lang	Pratt	
Draheim	Housley	Lieske	Rarick	
Drazkowski	Howe	Limmer	Rasmusson	

Pursuant to Rule 40, Senator Jasinski cast the negative vote on behalf of the following Senators: Johnson, Lieske, and Miller.

So the bill, as amended, was passed and its title was agreed to.

RECESS

Senator Murphy moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a recess, the President called the Senate to order.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2442.

Patrick Duffy Murphy, Chief Clerk, House of Representatives

Transmitted May 7, 2025

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2442: A bill for an act relating to energy; appropriating money for energy and renewable development account programs and activities.

Referred to the Committee on Finance.

MEMBERS EXCUSED

Senator Dahms was excused from the Session of today from 12:40 to 1:20 p.m. Senator Lucero was excused from the Session of today from 2:05 to 2:15 p.m.

ADJOURNMENT

Senator Murphy moved that the Senate do now adjourn until 1:00 p.m., Thursday, May 8, 2025. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate

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