

STATE OF MINNESOTA

# Journal of the Senate

NINETY-THIRD LEGISLATURE

---

ONE HUNDRED FIFTEENTH DAY

St. Paul, Minnesota, Monday, May 13, 2024

The Senate met at 1:00 p.m. and was called to order by the President.

## CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Jake Holck.

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

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

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

The President declared a quorum present.

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

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 4699:** A bill for an act relating to state government; modifying provisions governing health care, health insurance, health policy, emergency medical services, the Department of Health, the Department of Human Services, MNsure, health care workforce, health-related licensing boards, health care affordability and delivery, background studies, child protection and welfare, child care licensing, behavioral health, economic assistance, housing and homelessness, human services policy, the Minnesota Indian Family Preservation Act, and the Department of Children, Youth, and Families; establishing the Office of Emergency Medical Services; establishing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act; making technical and conforming changes; requiring reports; imposing penalties; providing appointments; making forecast adjustments; appropriating money; amending Minnesota Statutes 2022, sections 16A.055, subdivision 1a, by adding a subdivision; 16A.103, by adding a subdivision; 62A.0411; 62A.15, subdivision 4, by adding a subdivision; 62A.28, subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.14, subdivision 1; 62D.19; 62D.20, subdivision 1; 62D.22, subdivision 5; 62E.02, subdivision 3; 62J.49, subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62Q.097, by adding a subdivision; 62Q.14; 62V.05, subdivision 12; 62V.08; 62V.11, subdivision 4; 103I.621, subdivisions 1, 2; 121A.15, subdivision 3, by adding a subdivision; 144.05, subdivision 6, by adding a subdivision; 144.058; 144.0724, subdivisions 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions 1, 2, 3; 144.1501, subdivision 5; 144.1911, subdivision 2; 144.212, by adding a subdivision; 144.216, subdivision 2, by adding subdivisions; 144.218, by adding a subdivision; 144.292, subdivision 6; 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494, subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding subdivisions; 144.605, by adding a subdivision; 144.99, subdivision 3; 144A.10, subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision 13; 144A.61, subdivision 3a; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision 2, by adding a subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision 3a, by adding subdivisions; 144E.101, by adding a subdivision; 144E.16, subdivisions 5, 7; 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28, subdivisions 3, 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions; 144E.287; 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding a subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10, subdivisions 1, 3; 148.235, subdivision 10; 149A.02, subdivisions 3, 3b, 16, 23, 26a, 27, 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73, subdivision 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94, subdivisions 1, 3, 4; 149A.97, subdivision 2; 151.01, subdivisions 23, 27; 151.065, by adding subdivisions; 151.066, subdivisions 1, 2, 3; 151.212, by adding a subdivision; 151.37, by adding a subdivision; 151.74, subdivision 6; 152.22, subdivision 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 2, 6, by adding a subdivision; 176.175, subdivision 2; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; 243.166, subdivision 7, as amended; 245.096; 245.462, subdivision 6; 245.4663, subdivision 2; 245A.04, subdivision 10, by adding a subdivision; 245A.043, subdivisions 2, 4, by adding subdivisions; 245A.07, subdivision 6; 245A.10, subdivisions 1, as amended, 2, as amended; 245A.14, subdivision 17; 245A.144; 245A.175; 245A.52, subdivision 2, by adding a subdivision; 245A.66, subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision 4; 245C.10, subdivision 18; 245C.14, subdivision 1, by adding a subdivision; 245C.15, subdivisions 3, 4; 245C.22, subdivision 4; 245C.24, subdivisions 2, 5; 245C.30, by adding a subdivision; 245E.08; 245F.09, subdivision 2; 245F.14, by adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08, subdivisions 5, 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7; 245H.01, by adding subdivisions; 245H.08, subdivision 1; 245H.14, subdivisions 1, 4; 245I.02, subdivisions 17, 19; 245I.10, subdivision 9; 245I.11, subdivision 1, by adding a subdivision; 245I.20, subdivision 4; 245I.23, subdivision 14; 256.01,

subdivision 41, by adding a subdivision; 256.029, as amended; 256.045, subdivisions 3b, as amended, 5, as amended, 7, as amended; 256.0451, subdivisions 1, as amended, 22, 24; 256.046, subdivision 2, as amended; 256.9657, subdivision 8, by adding a subdivision; 256.969, by adding subdivisions; 256B.056, subdivisions 1a, 10; 256B.0622, subdivisions 2a, 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625, subdivisions 12, 20, 39, by adding subdivisions; 256B.0757, subdivisions 4a, 4d, by adding a subdivision; 256B.0943, subdivision 12; 256B.0947, subdivision 5; 256B.76, subdivision 6; 256B.795; 256I.04, subdivision 2f; 256J.08, subdivision 34a; 256J.28, subdivision 1; 256K.45, subdivision 2; 256N.22, subdivision 10; 256N.24, subdivision 10; 256N.26, subdivisions 12, 13, 15, 16, 18, 21, 22; 256P.05, by adding a subdivision; 256R.02, subdivision 20; 259.20, subdivision 2; 259.37, subdivision 2; 259.52, subdivisions 2, 4; 259.53, by adding a subdivision; 259.79, subdivision 1; 259.83, subdivision 4; 260.755, subdivisions 2a, 5, 14, 17a, by adding subdivisions; 260.775; 260.785, subdivisions 1, 3; 260.810, subdivision 3; 260C.007, subdivisions 6, 26b; 260C.141, by adding a subdivision; 260C.178, subdivisions 1, as amended, 7; 260C.202; 260C.209, subdivision 1; 260C.212, subdivisions 1, 2; 260C.301, subdivision 1, as amended; 260C.329, subdivisions 3, 8; 260C.4411, by adding a subdivision; 260C.515, subdivision 4; 260C.607, subdivisions 1, 6; 260C.611; 260C.613, subdivision 1; 260C.615, subdivision 1; 260D.01; 260E.03, subdivision 23, as amended; 260E.30, subdivision 3, as amended; 260E.33, subdivision 2, as amended; 317A.811, subdivisions 1, 2, 4; 393.07, subdivision 10a; 518.17, by adding a subdivision; 519.05; 524.3-801, as amended; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 4, as amended; 15A.0815, subdivision 2; 43A.08, subdivision 1a; 62J.84, subdivision 10; 62Q.46, subdivision 1; 62Q.473, by adding subdivisions; 62Q.522, subdivision 1; 119B.011, subdivision 15; 119B.16, subdivisions 1a, 1c; 119B.161, subdivision 2; 124D.142, subdivision 2, as amended; 142A.03, by adding a subdivision; 144.0526, subdivision 1; 144.1501, subdivisions 1, 2, 3, 4; 144.1505, subdivision 2; 144.2252, subdivision 2; 144.2253; 144.587, subdivision 4; 144A.4791, subdivision 10; 144E.101, subdivisions 6, 7, as amended; 145.561, subdivision 4; 151.555, subdivisions 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126, subdivision 6; 152.28, subdivision 1; 245.4889, subdivision 1; 245A.02, subdivision 2c; 245A.03, subdivisions 2, as amended, 7, as amended; 245A.043, subdivision 3; 245A.07, subdivision 1, as amended; 245A.11, subdivision 7; 245A.16, subdivisions 1, as amended, 11; 245A.211, subdivision 4; 245A.242, subdivision 2; 245A.50, subdivisions 3, 4; 245A.66, subdivision 4, as amended; 245C.02, subdivisions 6a, 13e; 245C.033, subdivision 3; 245C.08, subdivision 1; 245C.10, subdivision 15; 245C.15, subdivisions 2, 4a; 245C.31, subdivision 1; 245G.22, subdivisions 2, 17; 245H.06, subdivisions 1, 2; 245H.08, subdivisions 4, 5; 254B.04, subdivision 1a; 256.01, subdivision 12b; 256.043, subdivisions 3, 3a; 256.045, subdivision 3, as amended; 256.046, subdivision 3; 256.0471, subdivision 1, as amended; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8; 256B.0625, subdivisions 3a, 5m, 9, 13e, as amended, 13f, 13k, 16; 256B.064, subdivision 4; 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7; 256B.764; 256D.01, subdivision 1a; 256E.38, subdivision 4; 256I.05, subdivisions 1a, 11; 256L.03, subdivision 1; 256M.42, by adding a subdivision; 256P.06, subdivision 3; 259.83, subdivisions 1, 1b, 3a; 260.014, by adding a subdivision; 260.755, subdivisions 1a, 3, 3a, 5b, 20, 22; 260.758, subdivisions 2, 4, 5; 260.761; 260.762; 260.763, subdivisions 1, 4, 5; 260.765, subdivisions 2, 3a, 4b; 260.771, subdivisions 1a, 1b, 1c, 2b, 2d, 6, by adding a subdivision; 260.773, subdivisions 1, 2, 3, 4, 5, 10, 11; 260.774, subdivisions 1, 2, 3; 260.781, subdivision 1; 260.786, subdivision 2; 260.795, subdivision 1; 342.01, subdivision 63; 342.52, subdivision 3; 342.53; 342.54, subdivision 2; 342.55, subdivision 2; 518A.42, subdivision 3; Laws 1987, chapter 404, section 18, subdivision 1; Laws 2023, chapter 22, section 4, subdivision 2; Laws 2023, chapter 57, article 1, section 6; Laws 2023, chapter 70, article 1, section 35; article 11, section 13, subdivision 8; article 12, section 30, subdivisions 2, 3; article 14, section 42,

subdivision 6; article 20, sections 2, subdivisions 5, 22, 24, 29, 31; 3, subdivision 2; 12, as amended; 23; Laws 2024, chapter 80, article 1, sections 38, subdivisions 1, 2, 5, 6, 7, 9; 96; article 2, sections 5, subdivision 21, by adding a subdivision; 6, subdivisions 2, 3, 3a, by adding a subdivision; 7, subdivision 2; 10, subdivisions 1, 6; 16, subdivision 1, by adding a subdivision; 30, subdivision 2; 31; 74; article 4, section 26; article 6, section 4; article 7, section 4; proposing coding for new law in Minnesota Statutes, chapters 62D; 62J; 62Q; 137; 142A; 144; 144A; 144E; 145; 149A; 151; 214; 245C; 245H; 256B; 259; 260; 260D; 260E; 524; proposing coding for new law as Minnesota Statutes, chapters 142B; 142F; 332C; repealing Minnesota Statutes 2022, sections 62A.041, subdivision 3; 144.218, subdivision 3; 144.497; 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a; 144E.50, subdivision 3; 245A.065; 245C.125; 256.01, subdivisions 12, 12a; 256B.79, subdivision 6; 256D.19, subdivisions 1, 2; 256D.20, subdivisions 1, 2, 3, 4; 256D.23, subdivisions 1, 2, 3; 256R.02, subdivision 46; 260.755, subdivision 13; Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; 62Q.522, subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2; Laws 2023, chapter 25, section 190, subdivision 10; Laws 2024, chapter 80, article 1, sections 38, subdivisions 3, 4, 11; 39; 43, subdivision 2; article 2, sections 1, subdivision 11; 3, subdivision 3; 4, subdivision 4; 6, subdivision 4; 10, subdivision 4; 33; 69; article 7, sections 3; 9; Minnesota Rules, parts 9502.0425, subparts 5, 10; 9545.0805, subpart 1; 9545.0845; 9560.0232, subpart 5.

Senate File No. 4699 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 9, 2024

Senator Wiklund moved that the Senate do not concur in the amendments by the House to S.F. No. 4699, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 4942:** A bill for an act relating to state government; authorizing supplemental agriculture appropriations; providing broadband appropriation transfer authority; making policy and technical changes to agriculture provisions; establishing and modifying agriculture programs; requiring an application for federal broadband aid; modifying appropriations to the Office of Cannabis Management and the Department of Health; modifying fees assessed by the Department of Commerce; adding the Minnesota Consumer Data Privacy Act; adding and modifying consumer protection provisions; appropriating money for energy, utilities, environment, and climate; requiring utilities to accept an individual taxpayer identification number when new customers apply for utility service; allowing public utilities providing electric service to propose goals for fuel-switching improvement achievements to the commissioner of commerce; modifying the commercial property assessed clean energy program; making technical changes to various provisions governing or administered by the Department of Commerce; requiring reports; appropriating money; amending Minnesota Statutes

2022, sections 17.116, subdivision 2; 17.133, subdivision 1; 18C.70, subdivision 5; 18C.71, subdivision 4; 18C.80, subdivision 2; 28A.10; 31.94; 32D.30; 41B.047, subdivision 1; 45.0135, subdivision 7; 62Q.73, subdivision 3; 116J.396, by adding a subdivision; 216B.098, by adding a subdivision; 216B.16, subdivisions 6c, 8; 216B.2402, subdivision 10, by adding a subdivision; 216B.2403, subdivisions 2, 3, 5, 8; 216B.241, subdivisions 2, 11, 12; 216B.243, subdivision 3b; 216C.10; 216C.435, subdivisions 3a, 3b, 4, 10, by adding subdivisions; 216C.436, subdivisions 1, 4, 7, 8, 10; 325E.21, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 17.055, subdivision 3; 17.133, subdivision 3; 18C.425, subdivision 6; 35.155, subdivision 12; 41B.0391, subdivisions 1, 2, 4, 6; 116C.779, subdivision 1; 144.197; 216B.1691, subdivision 1; 216C.08; 216C.09; 216C.435, subdivision 8; 216C.436, subdivisions 1b, 2; 325E.21, subdivision 1b; 342.72; Laws 2023, chapter 43, article 1, section 2, subdivisions 1, 2, 3, 4, 5; Laws 2023, chapter 63, article 9, sections 5; 10; 15, subdivision 4; 20; proposing coding for new law in Minnesota Statutes, chapters 13; 58B; 62J; 216B; 216C; proposing coding for new law as Minnesota Statutes, chapter 325O; repealing Minnesota Statutes 2022, section 34.07.

Senate File No. 4942 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 9, 2024

Senator Frenz moved that the Senate do not concur in the amendments by the House to S.F. No. 4942, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### REPORTS OF COMMITTEES

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

#### **Senator Murphy, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3872** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3872	4271				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3872 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3872, the first engrossment; and insert the language after the enacting clause of S.F. No. 4271, the first engrossment; further, delete the title of H.F. No. 3872, the first engrossment; and insert the title of S.F. No. 4271, the first engrossment.

And when so amended H.F. No. 3872 will be identical to S.F. No. 4271, and further recommends that H.F. No. 3872 be given its second reading and substituted for S.F. No. 4271, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Murphy, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 4738** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
4738	4835				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 4738 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 4738, the fourth engrossment; and insert the language after the enacting clause of S.F. No. 4835, the second engrossment; further, delete the title of H.F. No. 4738, the fourth engrossment; and insert the title of S.F. No. 4835, the second engrossment.

And when so amended H.F. No. 4738 will be identical to S.F. No. 4835, and further recommends that H.F. No. 4738 be given its second reading and substituted for S.F. No. 4835, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Murphy, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 5216** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
5216	5337				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 5216 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 5216, the third engrossment; and insert the language after the enacting clause of S.F. No. 5337, the second engrossment; further, delete the title of H.F. No. 5216, the third engrossment; and insert the title of S.F. No. 5337, the second engrossment.

And when so amended H.F. No. 5216 will be identical to S.F. No. 5337, and further recommends that H.F. No. 5216 be given its second reading and substituted for S.F. No. 5337, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Murphy, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 5246** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
5246	4936				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 5246 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 5246, the third engrossment; and insert the language after the enacting clause of S.F. No. 4936, the first engrossment; further, delete the title of H.F. No. 5246, the third engrossment; and insert the title of S.F. No. 4936, the first engrossment.

And when so amended H.F. No. 5246 will be identical to S.F. No. 4936, and further recommends that H.F. No. 5246 be given its second reading and substituted for S.F. No. 4936, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Murphy, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 5299** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
5299	5326				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 5299 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 5299, the first engrossment; and insert the language after the enacting clause of S.F. No. 5326, the second engrossment; further, delete the title of H.F. No. 5299, the first engrossment; and insert the title of S.F. No. 5326, the second engrossment.

And when so amended H.F. No. 5299 will be identical to S.F. No. 5326, and further recommends that H.F. No. 5299 be given its second reading and substituted for S.F. No. 5326, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

**S.F. No. 5430:** A bill for an act relating to employees; modifying paid leave provisions; amending Minnesota Statutes 2023 Supplement, sections 268B.01, subdivisions 3, 5, 8, 15, 23, 44, by adding subdivisions; 268B.04; 268B.06, subdivisions 2, 3, 4, 5, by adding a subdivision; 268B.07, subdivisions 1, 2, 3; 268B.085, subdivision 3; 268B.09, subdivisions 1, 6, 7; 268B.10, subdivisions 1, 2, 3, 6, 12, 16, 17, by adding subdivisions; 268B.14, subdivisions 3, 7, by adding subdivisions; 268B.15, subdivision 7; 268B.155, subdivision 2; 268B.185, subdivision 2; 268B.19; 268B.26; 268B.27, subdivision 2; 268B.29; proposing coding for new law in Minnesota Statutes, chapter 268B; repealing Minnesota Statutes 2023 Supplement, sections 268B.06, subdivision 7; 268B.08; 268B.10, subdivision 11; 268B.14, subdivision 5.

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

Page 12, line 3, after "2025" insert ", except that the requirements in subdivision 6, paragraphs (b) to (d), are effective January 1, 2026, and sunset on January 1, 2027"

Page 30, delete section 24

Renumber the sections in sequence

Amend the title numbers accordingly

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

**REPORT OF VOTE IN COMMITTEE**

Pursuant to Rule 12.10, upon the request of three members, a roll call was taken on the motion that S.F. No. 5430, as amended, be recommended to pass.

There were yeas 6 and nays 4, as follows:

Those who voted in the affirmative were:

Senators Champion, Frentz, Marty, Murphy, Pappas, and Wiklund.

Those who voted in the negative were:

Senators Dahm, Draheim, Eichorn, and Pratt.

The motion prevailed.



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

**S.F. No. 4780:** A bill for an act relating to labor; regulating transportation network companies; providing injunctive relief; appropriating money; amending Minnesota Statutes 2022, section 65B.472; proposing coding for new law as Minnesota Statutes, chapter 181C.

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

Page 16, line 11, delete everything after the period and insert "The base for this appropriation is \$123,000 in fiscal year 2026 and each year thereafter."

Page 16, delete line 12

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 5430 and 4780 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 3872, 4738, 5216, 5246, and 5299 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Anderson introduced--**

**S.F. No. 5522:** A bill for an act relating to capital investment; appropriating money for rehabilitation of the Salisbury Bridge; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

**Senator Klein introduced--**

**S.F. No. 5523:** A bill for an act relating to taxation; property; modifying class rates for manufactured home parks; amending Minnesota Statutes 2023 Supplement, section 273.13, subdivision 25.

Referred to the Committee on Taxes.

**Senator Carlson introduced--**

**S.F. No. 5524:** A bill for an act relating to natural resources; appropriating money for grants for accessible school playgrounds; requiring a report.

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

**MOTIONS AND RESOLUTIONS**

Senator McEwen moved that the name of Senator Boldon be added as a co-author to S.F. No. 4074. The motion prevailed.

Senator Dziedzic moved that her name be stricken as chief author, shown as a co-author, and the name of Senator Klein be shown as chief author to S.F. No. 5354.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 55 and nays 11, as follows:

Those who voted in the affirmative were:

Bahr	Farnsworth	Johnson	Maye Quade	Port
Boldon	Fateh	Klein	McEwen	Pratt
Carlson	Frentz	Koran	Miller	Putnam
Champion	Green	Kreun	Mitchell	Rarick
Coleman	Gustafson	Kunesh	Mohamed	Rasmusson
Cwodzinski	Hauschild	Kupec	Morrison	Rest
Dahms	Hawj	Lang	Murphy	Seeberger
Dibble	Hoffman	Latz	Nelson	Weber
Dornink	Housley	Limmer	Oumou Verbeten	Westlin
Duckworth	Howe	Mann	Pappas	Wiklund
Dziedzic	Jasinski	Marty	Pha	Xiong

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

Those who voted in the negative were:

Abeler	Eichorn	Lucero	Wesenberg
Anderson	Gruenhagen	Mathews	Westrom
Draskowski	Lieske	Utke	

The motion prevailed.

Pursuant to Sec. 522 of Mason's Manual of Legislative Procedure, Senator Pratt moved that the Senate challenge the vote cast by Senator Nicole Mitchell on May 9, 2024, to uphold the ruling of the President, as recorded on page 16645 of the Senate Journal, was a conflict of interest in violation of Senate Rule 56.4.

**CALL OF THE SENATE**

Senator Pratt imposed a call of the Senate for the balance of the proceedings on the Pratt motion. The Sergeant at Arms was instructed to bring in the absent members.

Pursuant to Rule 41.2, Senator Mitchell moved that she be excused from voting on all questions pertaining to the Pratt motion.

The question was taken on the adoption of the Mitchell motion.

The roll was called, and there were yeas 55 and nays 11, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Howe	Maye Quade	Port
Bahr	Dziedzic	Jasinski	McEwen	Pratt
Boldon	Farnsworth	Johnson	Miller	Putnam
Carlson	Fateh	Klein	Mitchell	Rarick
Champion	Frentz	Koran	Mohamed	Rasmusson
Coleman	Green	Kunesh	Morrison	Rest
Cwodzinski	Gustafson	Kupec	Murphy	Seeberger
Dahms	Hauschild	Latz	Nelson	Weber
Dibble	Hawj	Mann	Oumou Verbeten	Westlin
Dornink	Hoffman	Marty	Pappas	Wiklund
Drazkowski	Housley	Mathews	Pha	Xiong

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

Those who voted in the negative were:

Anderson	Kreun	Limmer	Wesenberg
Eichorn	Lang	Lucero	Westrom
Gruenhagen	Lieske	Utke	

The motion prevailed.

The question was taken on the adoption of the Pratt motion.

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

The motion did not prevail.

### MOTIONS AND RESOLUTIONS - CONTINUED

Senator Murphy moved that H.F. No. 4984 be taken from the table and given a second reading. The motion prevailed.

**H.F. No. 4984:** A memorial resolution requesting the Joint Committee on the Library of Congress of the United States Congress to approve replacement of the statue of Henry Mower Rice now on display in National Statuary Hall in the Capitol of the United States.

H.F. No. 4984 was read the second time.

Senator Murphy moved that H.F. No. 4984 be laid on the table. The motion prevailed.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 3567 and the Conference Committee Report thereon were reported to the Senate.

### **CONFERENCE COMMITTEE REPORT ON S.F. No. 3567**

A bill for an act relating to education; modifying provisions for prekindergarten through grade 12 education including general education, education excellence, teachers, Read Act, special education, charter schools, nutrition and libraries, health and safety, early learning, and education partnerships and compacts; requiring reports; amending Minnesota Statutes 2022, sections 120A.05, subdivision 10a, by adding a subdivision; 120A.22, subdivision 12; 120A.35; 120B.022, subdivisions 1a, 1b; 120B.11, as amended; 120B.13, subdivision 4; 120B.234, subdivisions 1, 2; 121A.22, subdivisions 2, 4; 121A.2207, subdivision 1; 121A.41, subdivision 8; 122A.091, subdivision 5; 122A.181, by adding a subdivision; 122A.182, by adding a subdivision; 122A.185, subdivision 3; 122A.20, by adding a subdivision; 123B.09, subdivision 10; 123B.37, subdivision 2; 124D.151, as amended; 124D.60, subdivision 1; 124D.61; 124E.01, subdivision 1; 124E.05, subdivisions 2, 3, 5; 124E.07; 124E.10, subdivisions 2, 4, 5; 124E.12, subdivision 2; 124E.14; 124E.17; 124E.26; 125A.02, subdivision 1a; 125A.27, subdivision 8; 125A.56, subdivision 1; 127A.70, subdivision 1; 128C.02, by adding a subdivision; 260E.14, subdivision 1; Minnesota Statutes 2023 Supplement, sections 13.32, subdivision 5; 120B.021, subdivision 1; 120B.024, subdivision 1; 120B.1117; 120B.1118, subdivisions 7, 10, by adding a subdivision; 120B.117, subdivision 4; 120B.12, subdivisions 1, 2, 2a, 4, 4a; 120B.123, subdivisions 1, 2, 5; 120B.30, subdivisions 7, 12, by adding a subdivision; 120B.302; 120B.305; 120B.31, subdivision 4; 120B.36, subdivision 1; 121A.041, subdivisions 2, 3; 121A.20, subdivision 2; 121A.642, by adding a subdivision; 122A.18, subdivision 1; 122A.181, subdivision 2; 122A.183, subdivision 2; 122A.184, subdivision 1; 122A.185, subdivision 1; 122A.40, subdivision 8; 122A.41, subdivision 5; 122A.631, subdivisions 2, 4; 122A.70, subdivision 2; 124D.09, subdivision 5; 124D.094, subdivisions 2, 3; 124D.111, subdivision 2a; 124D.165, subdivisions 2, 2a; 124D.42, subdivision 8; 124D.901, subdivision 4; 124E.02; 124E.03, subdivision 2; 124E.06, subdivisions 1, 4, 5; 124E.11; 124E.12, subdivision 1; 124E.16, subdivision 1; 125A.08; 126C.40, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 127A; 134; repealing Minnesota Statutes 2022, sections 120B.31, subdivisions 2, 6; 122A.2451, subdivision 9; Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 4; Laws 2017, First Special Session chapter 5, article 8, section 9.

May 9, 2024

The Honorable Bobby Joe Champion  
President of the Senate

The Honorable Melissa Hortman  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 3567 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 3567 be further amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### GENERAL EDUCATION

#### Section 1. [121A.73] SCHOOL CELL PHONE POLICY.

A school district or charter school must adopt a policy on students' possession and use of cell phones in school by March 15, 2025. The Minnesota Elementary School Principals Association and the Minnesota Association of Secondary School Principals must collaborate to make best practices available to schools on a range of different strategies in order to minimize the impact of cell phones on student behavior, mental health, and academic attainment.

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

Sec. 2. Minnesota Statutes 2023 Supplement, section 124D.09, subdivision 5, is amended to read:

Subd. 5. **Authorization; notification.** (a) Notwithstanding any other law to the contrary, an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled Tribal contract or grant school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that postsecondary institution.

(b) If an institution accepts a secondary pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school or school district, and the commissioner. The notice must indicate the course and hours of enrollment of that pupil. The institution must notify the pupil's school as soon as practicable if the pupil withdraws from the enrolled course. The institution must also notify the pupil's school as soon as practicable if the pupil has been absent from a course for ten consecutive days on which classes are held, based upon the postsecondary institution's academic calendar, and the pupil is not receiving instruction in their home or hospital or other facility.

(c) If the pupil enrolls in a course for postsecondary credit, the institution must notify:

(1) the pupil about payment in the customary manner used by the institution; ~~and~~

~~(2) the pupil's school as soon as practicable if the pupil withdraws from the course or stops attending the course.~~

Sec. 3. Minnesota Statutes 2023 Supplement, section 124D.094, subdivision 2, is amended to read:

Subd. 2. **Digital instruction.** (a) An enrolling district may provide digital instruction, including blended instruction and online instruction, to the district's own enrolled students. Enrolling districts may establish agreements to provide digital instruction, including blended instruction and online instruction, to students enrolled in the cooperating schools.

(b) When online instruction is provided, an online teacher as defined under subdivision 1, paragraph (h), shall perform all duties of teacher of record under Minnesota Rules, part 8710.0310. Unless the commissioner grants a waiver, a teacher providing online instruction shall not instruct more than 40 students in any one online learning course or section.

(c) Students receiving online instruction full time shall be reported as enrolled in an online instructional site under subdivision 1, paragraph (g).

(d) Curriculum used for digital instruction shall be aligned with Minnesota's current academic standards and benchmarks.

(e) Digital instruction shall be accessible to students under ~~section~~ sections 504 and 508 of the federal Rehabilitation Act and Title II of the federal Americans with Disabilities Act.

(f) An enrolling district providing digital instruction and a supplemental online course provider shall assist an enrolled student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software so they may participate in digital instruction. Funds provided to a family to support digital instruction or supplemental online courses may only be used for qualifying expenses as determined by the provider. Nonconsumable materials purchased with public education funds remain the property of the provider. Records for any funds provided must be available for review by the public or the department.

(g) An enrolling district providing digital instruction shall establish and document procedures for determining attendance for membership and keep accurate records of daily attendance under section 120A.21.

Sec. 4. Minnesota Statutes 2023 Supplement, section 124D.094, subdivision 3, is amended to read:

Subd. 3. **Supplemental online courses.** (a) Notwithstanding sections 124D.03 and 124D.08 and chapter 124E, procedures for applying to take supplemental online courses other than those offered by the student's enrolling district are as provided in this subdivision.

(b) Any kindergarten through grade 12 student may apply to take a supplemental online course under subdivision 1, paragraph (j). The student, or the student's parent or guardian for a student under age 17, must submit an application for the proposed supplemental online course or courses. A student may:

(1) apply to take an online course from a supplemental online course provider that meets or exceeds the academic standards of the course in the enrolling district they are replacing;

(2) apply to take supplemental online courses for up to 50 percent of the student's scheduled course load; ~~and~~

(3) apply to take supplemental online courses no later than 15 school days after the student's enrolling district's term has begun. An enrolling district may waive the 50 percent course enrollment limit or the 15-day time limit; and

(4) enroll in additional courses with the online learning provider under a separate agreement that includes terms for paying any tuition or course fees.

(c) A student taking a supplemental online course must have the same access to the computer hardware and education software available in a school as all other students in the enrolling district.

(d) A supplemental online course provider must have a current, approved application to be listed by the Department of Education as an approved provider. The supplemental online course provider must:

(1) use an application form specified by the Department of Education;

(2) notify the student, the student's guardian if they are age 17 or younger, and enrolling district of the accepted application to take a supplemental online course within ten days of receiving a completed application;

(3) notify the enrolling district of the course title, credits to be awarded, and the start date of the online course. A supplemental online course provider must make the online course syllabus available to the enrolling district;

(4) request applicable academic support information for the student, including a copy of the IEP, EL support plan, or 504 plan; and

(5) track student attendance and monitor academic progress and communicate with the student, the student's guardian if they are age 17 or younger, and the enrolling district's designated online learning liaison.

(e) A supplemental online course provider may limit enrollment if the provider's school board or board of directors adopts by resolution specific standards for accepting and rejecting students' applications. The provisions may not discriminate against any protected class or students with disabilities.

(f) A supplemental online course provider may request that the Department of Education review an enrolling district's written decision to not accept a student's supplemental online course application. The student may participate in the supplemental online course while the application is under review. Decisions shall be final and binding for both the enrolling district and the supplemental online course provider.

(g) A supplemental online course provider must participate in continuous improvement cycles with the Department of Education.

Sec. 5. Minnesota Statutes 2022, section 124D.12, is amended to read:

**124D.12 PURPOSE OF FLEXIBLE LEARNING YEAR PROGRAMS.**

Sections 124D.12 to 124D.127 authorize districts to evaluate, plan and employ the use of flexible learning year programs. It is anticipated that the open selection of the type of flexible learning year operation from a variety of alternatives will allow each district seeking to utilize this concept to suitably fulfill the educational needs of its pupils. These alternatives must include, but not be limited to, various 45-15 plans, four-quarter plans, quinmester plans, extended learning year plans, and flexible all-year plans. ~~A school district with an approved four-day week plan in the 2014-2015 school year may continue under a four-day week plan through the end of the 2019-2020 school year. Future approvals are contingent upon meeting the school district's performance goals established in the district's plan under section 120B.11~~ The commissioner must establish clear criteria for evaluating a district's application to use a four-day school week plan, at least annually accept district applications to use a four-day school week plan, and determine whether each application meets the criteria. The commissioner must give a school district one school year's notice before revoking approval of its flexible learning year program. Approval of a four-day school week plan may not be revoked for six years from the date it is granted.

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

Sec. 6. Minnesota Statutes 2023 Supplement, section 126C.40, subdivision 6, is amended to read:

Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) Special School District No. 1, Minneapolis, Independent School District No. 625, St. Paul, Independent School District No. 709, Duluth, or Independent School District No. 535, Rochester, if the district's desegregation achievement and integration plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and where the acquisition, as defined in section 475.51, subdivision 7, of



property under this subdivision is ~~determined~~ approved in the form and manner prescribed by the commissioner to contribute to the implementation of the ~~desegregation~~ approved achievement and integration plan; or

(2) other districts eligible for revenue under section 124D.862 if the facility acquired under this subdivision is to be primarily used for a joint program ~~for interdistrict desegregation and~~ the commissioner determines ~~that the joint programs are~~ is being undertaken to implement the districts' ~~desegregation~~ approved achievement and integration plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

(g) Projects funded under this subdivision are subject to review and comment under section 123B.71, subdivision 8, in the ~~same manner as other school construction projects~~ form and manner prescribed by the commissioner.

Sec. 7. REVISOR INSTRUCTION.

The revisor of statutes shall remove the term "state-approved" wherever it appears in Minnesota Statutes, sections 125A.15, 125A.51, and 125A.515, for education in care and treatment facilities.

## ARTICLE 2

### EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2023 Supplement, section 13.32, subdivision 5, is amended to read:

Subd. 5. **Directory information.** (a) Educational data designated as directory information is public data on individuals to the extent required under federal law. Directory information must be designated pursuant to the provisions of:

(1) this subdivision; and

(2) United States Code, title 20, section 1232g, and Code of Federal Regulations, title 34, section 99.37, which were in effect on January 3, 2012.

(b) When conducting the directory information designation and notice process required by federal law, an educational agency or institution shall give parents and students notice of the right to refuse to let the agency or institution designate specified data about the student as directory information. This notice may be given by any means reasonably likely to inform the parents and students of the right.

(c) An educational agency or institution may not designate a student's home address, telephone number, email address, or other personal contact information as directory information under this subdivision. This paragraph does not apply to a postsecondary institution.

(d) When requested, educational agencies or institutions must share personal student contact information and directory information, whether public or private, with the Minnesota Department of Education, as required for federal reporting purposes.

(e) When requested, educational agencies or institutions may share personal student contact information and directory information for students served in special education with postsecondary transition planning and services under section 125A.08, paragraph (b), clause (1), whether public or private, with the Department of Employment and Economic Development, as required for coordination of services to students with disabilities under sections 125A.08, paragraph (b), clause (1); 125A.023; and 125A.027.

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

Sec. 2. Minnesota Statutes 2022, section 120A.35, is amended to read:

**120A.35 ABSENCE FROM SCHOOL FOR RELIGIOUS OBSERVANCE AND CULTURAL OBSERVANCES.**

Reasonable efforts must be made by a school district to accommodate any pupil who wishes to be excused from a curricular activity for a religious observance or American Indian cultural practice, observance, or ceremony. A school board must provide annual notice to parents of the school district's policy relating to a pupil's absence from school ~~for religious observance~~ under this section.

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

Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** (a) The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics, encompassing algebra II, integrated mathematics III, or an equivalent in high school, and to be prepared for the three credits of mathematics in grades 9 through 12, the grade 8 standards include completion of algebra;

(3) science, including earth and space science, life science, and the physical sciences, including chemistry and physics;

(4) social studies, including history, geography, economics, and government and citizenship that includes civics;

(5) physical education;

(6) health, for which locally developed academic standards apply; and

(7) the arts. Public elementary and middle schools must offer at least three and require at least two of the following five arts areas: dance; media arts; music; theater; and visual arts. Public high

schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

(b) For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education program team has determined that the required academic standards are inappropriate. An individualized education program team that makes this determination must establish alternative standards.

~~(e) The department may modify SHAPE America (Society of Health and Physical Educators) standards and adapt the national standards to accommodate state interest. The modification and adaptations must maintain the purpose and integrity of the national standards. The department must make available sample assessments, which school districts may use as an alternative to local assessments, to assess students' mastery of the physical education standards beginning in the 2018-2019 school year.~~

~~(d)~~ (c) A school district may include child sexual abuse prevention instruction in a health curriculum, consistent with paragraph (a), clause (6). Child sexual abuse prevention instruction may include age-appropriate instruction on recognizing sexual abuse and assault, boundary violations, and ways offenders groom or desensitize victims, as well as strategies to promote disclosure, reduce self-blame, and mobilize bystanders. A school district may provide instruction under this paragraph in a variety of ways, including at an annual assembly or classroom presentation. A school district may also provide parents information on the warning signs of child sexual abuse and available resources.

~~(e)~~ (d) District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

Sec. 4. Minnesota Statutes 2022, section 120B.022, subdivision 1a, is amended to read:

Subd. 1a. **Foreign World language and culture; proficiency certificates.** (a) World languages teachers and other school staff should develop and implement world languages programs that acknowledge and reinforce the language proficiency and cultural awareness that non-English language speakers already possess, and encourage students' proficiency in multiple world languages. Programs under this section must encompass Indigenous American Indian languages and cultures, among other world languages and cultures. The department shall consult with postsecondary institutions in developing related professional development opportunities for purposes of this section.

(b) Any Minnesota public, charter, or nonpublic school may award Minnesota World Language Proficiency Certificates consistent with this subdivision.

(c) The Minnesota World Language Proficiency Certificate recognizes students who demonstrate listening, speaking, reading, and writing language skills at an overall intermediate-low or intermediate-mid level of proficiency on the American Council on the Teaching of Foreign Languages' Intermediate-Low level ACTFL's scale of levels of proficiency. A student's level of proficiency is derived from assessment in the domains of listening, reading, speaking, and writing on a valid and reliable assessment tool.

Sec. 5. Minnesota Statutes 2022, section 120B.022, subdivision 1b, is amended to read:

Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph (i), and close the academic achievement and opportunity gap under sections 124D.861 and 124D.862, voluntary state bilingual and multilingual seals are established to recognize graduating high school students in any school district, charter school, or nonpublic school who demonstrate an Advanced-Low level or an intermediate-high level of functional particular levels of proficiency in one or more languages other than English. The levels of proficiency established under this subdivision are based on the ACTFL's proficiency guidelines. A student is eligible for a seal in a language other than English if the student demonstrates proficiency in listening, speaking, reading, and writing on either assessments derived from assessment in the domains of listening, reading, speaking, and writing on an assessment aligned with American Council on the Teaching of Foreign Languages' (ACTFL) ACTFL proficiency guidelines or on an equivalent valid and reliable assessments in one or more languages in addition to English assessment at a level required under paragraph (c). Indigenous American Indian languages and American Sign Language is a language are languages other than English for purposes of this subdivision and a world language languages for purposes of subdivision 1a.

(b) In addition to paragraph (a), to be eligible to receive a seal:

~~(1) students must satisfactorily complete all required English language arts credits; and~~

~~(2) students must demonstrate mastery of Minnesota's English language proficiency standards.~~

(c) Consistent with this subdivision, a high school student who demonstrates an overall intermediate high ACTFL level of functional proficiency derived from assessment in the domains of listening, reading, speaking, and writing in one language in addition to English is eligible to receive the state bilingual gold seal. A high school student who demonstrates an overall intermediate high ACTFL level of functional native proficiency derived from assessment in the domains of listening, reading, speaking, and writing in more than one language in addition to English is eligible to receive the state multilingual gold seal. A high school student who demonstrates an overall advanced-low or above ACTFL level of functional proficiency derived from assessment in the domains of listening, reading, speaking, and writing in one language in addition to English is eligible to receive the state bilingual platinum seal. A high school student who demonstrates an overall advanced-low or above ACTFL level of functional proficiency derived from assessment in the domains of listening, reading, speaking, and writing in more than one language in addition to English is eligible to receive the state multilingual platinum seal.

(d) School districts and charter schools may give students periodic opportunities to demonstrate their level of proficiency in listening, speaking, reading, and writing in a language in addition to English. Where valid and reliable assessments are unavailable, a school district or charter school may rely on evaluators trained in assessing under ACTFL proficiency guidelines to assess a student's level of foreign, heritage, or Indigenous non-English language proficiency under this section. School districts and charter schools must maintain appropriate records to identify high school students eligible to receive the state bilingual or multilingual gold and platinum seals upon graduation. The school district or charter school must affix notate the appropriate seal to the transcript of each high school student who meets the requirements of this subdivision and may affix the seal to the student's diploma. A school district or charter school must not charge the high school student a fee for this seal.

(e) A school district or charter school may award elective course credits in world languages to a student who demonstrates the requisite proficiency in a language other than English under this section.

(f) A school district or charter school may award community service credit to a student who demonstrates an overall intermediate high or advanced low or above ACTFL level of functional proficiency in listening, speaking, reading, and writing derived from assessment in the domains of listening, reading, speaking, and writing in a language other than English and who participates in community service activities that are integrated into the curriculum, involve the participation of teachers, and support biliteracy in the school or local community.

(g) The commissioner must list on the web page ~~those~~ the assessments that are aligned to ACTFL proficiency guidelines, and establish guidelines on interpreting the scores or ratings from approved assessments.

(h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges and Universities system must establish criteria to translate the seals into college credits based on the world language course equivalencies identified by the Minnesota State Colleges and Universities faculty and staff and, upon request from an enrolled student, the Minnesota State Colleges and Universities may award foreign language credits to a student who ~~receives~~ received a Minnesota World Language Proficiency Certificate or Minnesota Bilingual or Multilingual Seals under subdivision 1a. A student who demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution must request college credits for the student's seal or proficiency certificate within three academic years after graduating from high school. The University of Minnesota is encouraged to award students foreign language academic credits consistent with this paragraph.

Sec. 6. Minnesota Statutes 2023 Supplement, section 120B.024, subdivision 1, is amended to read:

Subdivision 1. **Graduation requirements.** (a) Students must successfully complete the following high school level credits for graduation:

(1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;

(2) three credits of mathematics sufficient to satisfy all of the academic standards in mathematics;

(3) three credits of science, including one credit to satisfy all the earth and space science standards for grades 9 through 12, one credit to satisfy all the life science standards for grades 9 through 12, and one credit to satisfy all the chemistry or physics standards for grades 9 through 12;

(4) three and one-half credits of social studies, including credit for a course in government and citizenship in either grade 11 or 12 for students beginning grade 9 in the ~~2024-2025~~ 2025-2026 school year and later or an advanced placement, international baccalaureate, or other rigorous course on government and citizenship under section 120B.021, subdivision 1a, and a combination of other credits encompassing at least United States history, geography, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;

- (5) one credit of the arts sufficient to satisfy all of the academic standards in the arts;
- (6) ~~credits~~ credit sufficient to satisfy the state standards in physical education; and
- (7) a minimum of seven elective credits.

(b) Students who begin grade 9 in the 2024-2025 school year and later must successfully complete a course for credit in personal finance in grade 10, 11, or 12. A teacher of a personal finance course that satisfies the graduation requirement must have a field license or out-of-field permission in agricultural education, business, family and consumer science, social studies, or math.

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

Sec. 7. Minnesota Statutes 2022, section 120B.11, as amended by Laws 2023, chapter 55, article 2, sections 9 to 11, is amended to read:

**120B.11 SCHOOL DISTRICT PROCESS FOR REVIEWING CURRICULUM, INSTRUCTION, AND STUDENT ACHIEVEMENT GOALS; STRIVING FOR ~~THE WORLD'S BEST WORKFORCE~~ COMPREHENSIVE ACHIEVEMENT AND CIVIC READINESS.**

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) ~~"World's best workforce"~~ "Comprehensive achievement and civic readiness" means striving to: meet school readiness goals; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; ~~and~~ have all students graduate from high school; and prepare students to be lifelong learners.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

(e) "Ethnic studies" as defined in section 120B.25 has the same meaning for purposes of this section. Ethnic studies curriculum may be integrated in existing curricular opportunities or provided through additional curricular offerings.

(f) "Antiracist" means actively working to identify and eliminate racism in all forms in order to change policies, behaviors, and beliefs that perpetuate racist ideas and actions.

(g) "Culturally sustaining" means integrating content and practices that infuse the culture and language of Black, Indigenous, and People of Color communities who have been and continue to be harmed and erased through the education system.

(h) "Institutional racism" means structures, policies, and practices within and across institutions that produce outcomes that disadvantage those who are Black, Indigenous, and People of Color.

Subd. 1a. **Performance measures.** Measures to determine school district and school site progress in striving to ~~create the world's best workforce~~ for comprehensive achievement and civic readiness must include at least:

- (1) the size of the academic achievement gap, rigorous course taking under section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by student subgroup;
- (2) student performance on the Minnesota Comprehensive Assessments;
- (3) high school graduation rates; and
- (4) career and college readiness under section 120B.307.

Subd. 2. **Adopting plans and budgets.** (a) A school board, at a public meeting, must adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating ~~the world's best workforce~~ comprehensive achievement and civic readiness and includes:

- (1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);
- (2) a process to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students to participate in gifted and talented programs and accelerate their instruction, and adopt early-admission procedures consistent with section 120B.15, and identifying the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to ~~the world's best workforce~~ comprehensive achievement and civic readiness;
- (3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, taking into account strategies and best practices, student outcomes, school principal evaluations under section 123B.147, subdivision 3, students' access to effective teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under section 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section 122A.40, subdivision 8, or 122A.41, subdivision 5;
- (4) strategies for improving instruction, curriculum, and student achievement, including the English and, where practicable, the native language development and the academic achievement of English learners;
- (5) a process to examine the equitable distribution of teachers and strategies to ensure children in low-income families, children in families of People of Color, and children in American Indian

families are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers;

(6) education effectiveness practices that:

(i) integrate high-quality instruction, technology, and curriculum that is rigorous, accurate, antiracist, and culturally sustaining;

(ii) ensure learning and work environments validate, affirm, embrace, and integrate cultural and community strengths for all students, families, and employees; and

(iii) provide a collaborative professional culture that seeks to retain qualified, racially and ethnically diverse staff effective at working with diverse students while developing and supporting teacher quality, performance, and effectiveness;

(7) an annual budget for continuing to implement the district plan; and

(8) identifying a list of suggested and required materials, resources, sample curricula, and pedagogical skills for use in kindergarten through grade 12 that accurately reflect the diversity of the state of Minnesota.

(b) A school district is not required to include information regarding literacy in a plan or report required under this section, except with regard to the academic achievement of English learners.

**Subd. 3. District advisory committee.** Each school board must establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, must reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. The district advisory committee must pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4. The district advisory committee must recommend to the school board: rigorous academic standards; student achievement goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a and 1b, and 120B.35; district assessments; means to improve students' equitable access to effective and more diverse teachers; strategies to ensure the curriculum is rigorous, accurate, antiracist, culturally sustaining, and reflects the diversity of the student population; strategies to ensure that curriculum and learning and work environments validate, affirm, embrace, and integrate the cultural and community strengths of all racial and ethnic groups; and program evaluations. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents must comprise at least two-thirds of advisory committee members.

**Subd. 4. Site team.** A school must establish a site team to develop and implement strategies and education effectiveness practices to improve instruction, curriculum, cultural competencies, including cultural awareness and cross-cultural communication, and student achievement at the school site, consistent with subdivision 2. The site team must include an equal number of teachers and administrators and at least one parent. The site team advises the board and the advisory committee



about developing the annual budget and creates an instruction and curriculum improvement plan to align curriculum, assessment of student progress, and growth in meeting state and district academic standards and instruction.

Subd. 5. **Report.** Consistent with requirements for school performance reports under section 120B.36, subdivision 1, the school board shall publish a report in the local newspaper with the largest circulation in the district, by mail, or by electronic means on the district website. The school board shall hold an annual public meeting to review, and revise where appropriate, student achievement goals, local assessment outcomes, plans, strategies, and practices for improving curriculum and instruction and cultural competency, and efforts to equitably distribute diverse, effective, experienced, and in-field teachers, and to review district success in realizing the previously adopted student achievement goals and related benchmarks and the improvement plans leading to ~~the world's best workforce~~ comprehensive achievement and civic readiness. The school board must transmit an electronic summary of its report to the commissioner in the form and manner the commissioner determines.

Subd. 7. **Periodic report.** Each school district shall periodically survey affected constituencies, in their native languages where appropriate and practicable, about their connection to and level of satisfaction with school. The district shall include the results of this evaluation in the summary report required under subdivision 5.

Subd. 9. **Annual evaluation.** (a) The commissioner must identify effective strategies, practices, and use of resources by districts and school sites in striving for ~~the world's best workforce~~ comprehensive achievement and civic readiness. The commissioner must assist districts and sites throughout the state in implementing these effective strategies, practices, and use of resources.

(b) The commissioner must identify those districts in any consecutive three-year period not making sufficient progress toward improving teaching and learning for all students, including English learners with varied needs, consistent with section 124D.59, subdivisions 2 and 2a, and striving for ~~the world's best workforce~~ comprehensive achievement and civic readiness. The commissioner, in collaboration with the identified district, may require the district to use up to two percent of its basic general education revenue per fiscal year during the proximate three school years to implement commissioner-specified strategies and practices, consistent with paragraph (a), to improve and accelerate its progress in realizing its goals under this section. In implementing this section, the commissioner must consider districts' budget constraints and legal obligations.

(c) The commissioner shall report by January 25 of each year to the committees of the legislature having jurisdiction over kindergarten through grade 12 education the list of school districts that have not submitted their report to the commissioner under subdivision 5 and the list of school districts not achieving their performance goals established in their plan under subdivision 2.

Sec. 8. Minnesota Statutes 2023 Supplement, section 120B.125, is amended to read:

**120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL LEARNING PLANS.**

(a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.303, subdivision 1, 125A.08, and other related sections, school districts, beginning in the 2013-2014 school year, must assist all students by no later than grade 9 to explore their educational, college,

and career interests, aptitudes, and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. All students' plans must:

(1) provide a comprehensive plan to prepare for and complete a career and college ready curriculum by meeting state and local academic standards and developing career and employment-related skills such as team work, collaboration, creativity, communication, critical thinking, and good work habits;

(2) emphasize academic rigor and high expectations and inform the student, and the student's parent or guardian if the student is a minor, of the student's achievement level score on the Minnesota Comprehensive Assessments that are administered during high school;

(3) help students identify interests, aptitudes, aspirations, and personal learning styles that may affect their career and college ready goals and postsecondary education and employment choices;

(4) set appropriate career and college ready goals with timelines that identify effective means for achieving those goals;

(5) help students access education and career options;

(6) integrate strong academic content into career-focused courses and applied and experiential learning opportunities and integrate relevant career-focused courses and applied and experiential learning opportunities into strong academic content;

(7) help identify and access appropriate counseling and other supports and assistance that enable students to complete required coursework, prepare for postsecondary education and careers, and obtain information about postsecondary education costs and eligibility for financial aid and scholarship;

(8) help identify collaborative partnerships among prekindergarten through grade 12 schools, postsecondary institutions, economic development agencies, and local and regional employers that support students' transition to postsecondary education and employment and provide students with applied and experiential learning opportunities; and

(9) be reviewed and revised at least annually by the student, the student's parent or guardian, and the school or district to ensure that the student's course-taking schedule keeps the student on track for graduation, making adequate progress to meet state and local academic standards and high school graduation requirements and with a reasonable chance to succeed with employment or postsecondary education without the need to first complete remedial course work.

(b) A school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select or pursue a career, career interest, employment goals, or related job training.

(c) Educators must possess the knowledge and skills to effectively teach all English learners in their classrooms. School districts must provide appropriate curriculum, targeted materials, professional development opportunities for educators, and sufficient resources to enable English learners to become career and college ready.

(d) When assisting students in developing a plan for a smooth and successful transition to postsecondary education and employment, districts must recognize the unique possibilities of each student and ensure that the contents of each student's plan reflect the student's unique talents, skills, and abilities as the student grows, develops, and learns.

(e) If a student with a disability has an individualized education program (IEP) or standardized written plan that meets the plan components of this section, the IEP satisfies the requirement and no additional transition plan is needed.

(f) Students who do not meet or exceed Minnesota academic standards, as measured by the Minnesota Comprehensive Assessments that are administered during high school, shall be informed that admission to a public school is free and available to any resident under 21 years of age or who meets the requirements of section 120A.20, subdivision 1, paragraph (c). A student's plan under this section shall continue while the student is enrolled.

Sec. 9. Minnesota Statutes 2022, section 120B.13, subdivision 4, is amended to read:

Subd. 4. **Rigorous course taking information; AP, IB, and PSEO.** (a) The commissioner shall submit the following information on rigorous course taking, disaggregated by student subgroup, school district, and postsecondary institution, to the education committees of the legislature by July 1, 2025, and each subsequent year by February July 1:

(1) the number of pupils enrolled in postsecondary enrollment options under section 124D.09, including concurrent enrollment, career and technical education courses offered as a concurrent enrollment course, advanced placement, and international baccalaureate courses in each school district;

(2) the number of teachers in each district attending training programs offered by the college board, International Baccalaureate North America, Inc., or Minnesota concurrent enrollment programs;

(3) the number of teachers in each district participating in support programs;

(4) recent trends in the field of postsecondary enrollment options under section 124D.09, including concurrent enrollment, advanced placement, and international baccalaureate programs;

(5) expenditures for each category in this section and under sections 124D.09 and 124D.091, including career and technical education courses offered as a concurrent enrollment course; and

(6) other recommendations for the state program or the postsecondary enrollment options under section 124D.09, including concurrent enrollment.

(b) The commissioner must include data from the 2022-2023 and 2023-2024 school years in the report due on July 1, 2025.

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

Sec. 10. Minnesota Statutes 2023 Supplement, section 120B.30, subdivision 7, is amended to read:

Subd. 7. **Assessments.** A student who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on high school assessments under ~~subdivision 1a~~ section 120B.302 is academically ready for a career or college and is encouraged to participate in courses awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

Sec. 11. Minnesota Statutes 2023 Supplement, section 120B.30, subdivision 12, is amended to read:

Subd. 12. **Test administration.** ~~(a) Consistent with applicable federal law, the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.~~

~~(b)~~ (a) The Department of Education shall contract for professional and technical services according to competitive solicitation procedures under chapter 16C for purposes of this section.

~~(c)~~ (b) A proposal submitted under this section must include disclosures containing:

(1) comprehensive information regarding test administration monitoring practices; and

(2) data privacy safeguards for student information to be transmitted to or used by the proposing entity.

~~(d)~~ (c) Information provided in the proposal is not security information or trade secret information for purposes of section 13.37.

Sec. 12. Minnesota Statutes 2023 Supplement, section 120B.30, is amended by adding a subdivision to read:

Subd. 17. **Retaliation prohibited.** An employee who discloses information to the commissioner or a parent or guardian about service disruptions or technical interruptions related to administering assessments under this section is protected under section 181.932, governing disclosure of information by employees.

Sec. 13. Minnesota Statutes 2023 Supplement, section 120B.302, is amended to read:

### **120B.302 GENERAL REQUIREMENTS; TEST DESIGN.**

Subdivision 1. ~~Definitions~~ **Developing assessments.** For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, a high school writing test aligned with state standards when it becomes available, and science assessments ~~under clause (2)~~ that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must:

(1) not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. ~~The commissioner must require;~~ and

~~(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading, writing, and mathematics tests; and~~

(2) require annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.

Subd. 2. **Comprehensive assessment system.** The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, ~~consistent with subdivision 1a, must include state-developed tests in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner must establish a testing period as late as possible each school year during which schools must administer the Minnesota Comprehensive Assessments to students. The commissioner must publish the testing schedule at least two years before the beginning of the testing period.~~

Subd. 3. **Aligned to academic standards.** (a) The state assessment system must be aligned to the most recent revision of academic standards ~~as described in section 120B.023 in the following manner:~~

~~(1) mathematics;~~

~~(i) grades 3 through 8 beginning in the 2010-2011 school year; and~~

~~(ii) high school level beginning in the 2013-2014 school year;~~

~~(2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012 school year; and~~

~~(3) language arts and reading; grades 3 through 8 and high school level beginning in the 2012-2013 school year.~~

~~(b) The grades 3 through 8 computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner must determine the testing process and the order of administration. The statewide results must be aggregated at the site and district level, consistent with subdivision 1a.~~

~~(c) The commissioner must ensure that for annual computer-adaptive assessments:~~

~~(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;~~

~~(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;~~

~~(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and~~

~~(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.~~

~~(d)~~ (b) The commissioner must ensure that all state tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

Subd. 4. Use of assessments. A school, school district, and charter school must administer statewide assessments under this section as the assessments become available to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course or place a student's assessment score on the student's transcript.

Sec. 14. Minnesota Statutes 2023 Supplement, section 120B.305, is amended to read:

#### **120B.305 ASSESSMENT REPORTING REQUIREMENTS.**

~~Subdivision 1. Reporting requirements.~~ A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

Subd. 2. ~~Computer adaptive assessments~~ Reporting requirements. (a) Reporting of state assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a growth indicator of student achievement; and

(3) determine whether students have met the state's academic standards.

(b) ~~The 3rd through 8th grade computer adaptive assessment results and high school test results must be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability.~~ The commissioner must ensure that for annual computer-adaptive assessments:

(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;

(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;

(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and

(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.

(c) The commissioner, in consultation with the chancellor of the Minnesota State Colleges and Universities, must establish empirically derived benchmarks on the high school tests that reveal a trajectory toward career and college readiness consistent with section 136F.302, subdivision 1a. The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

(d) A school, school district, or charter school may provide a student's parent access to the student's individual student performance data and achievement report that is made available under paragraph (b), clause (1), when the performance data and report is available to the school, school district, or charter school.

Subd. 3. **Public reporting.** (a) The commissioner must include the following components in the statewide public reporting system:

(1) uniform statewide computer-adaptive assessments of all students in grades 3 through 8 and testing at the high school levels that provides appropriate, technically sound accommodations or alternate assessments;

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

(3) state results on the ACT test; ~~and~~

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement; and

(5) comparison of statewide assessment results among school sites and school districts.

(b) The commissioner shall report test results publicly and to stakeholders, including the performance achievement levels developed from students' unweighted test scores in each tested subject and a listing of demographic factors that strongly correlate with student performance, including student homelessness, as data are available, among other factors. The test results must

not include personally identifiable information as defined in Code of Federal Regulations, title 34, section 99.3. ~~The commissioner shall also report data that compares performance results among school sites, school districts, Minnesota and other states, and Minnesota and other nations.~~ The commissioner shall disseminate to schools and school districts a more comprehensive report containing testing information that meets local needs for evaluating instruction and curriculum. The commissioner shall disseminate to charter school authorizers a more comprehensive report containing testing information that contains anonymized data where cell count data are sufficient to protect student identity and that meets the authorizer's needs in fulfilling its obligations under chapter 124E.

~~(e) The grades 3 through 8 computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner must determine the testing process and the order of administration. The statewide results must be aggregated at the site and district level, consistent with subdivision 1a.~~

Sec. 15. Minnesota Statutes 2023 Supplement, section 120B.31, subdivision 4, is amended to read:

Subd. 4. **Student performance data.** In developing policies and assessment processes to hold schools and districts accountable for high levels of academic standards under section 120B.021, the commissioner shall ~~aggregate and disaggregate student data over time to report summary student performance and growth levels and, under section 120B.11, subdivision 2, clause (2), student learning and outcome data measured at the school, school district, and statewide level.~~ The commissioner shall use the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and student categories of:

- (1) homelessness;
- (2) ethnicity under section 120B.35, subdivision 3, paragraph (a), clause (2);
- (3) race under section 120B.35, subdivision 3, paragraph (a), clause (2);
- (4) home language;
- (5) English learners under section 124D.59;
- (6) free or reduced-price meals; and
- (7) other categories designated by federal law to organize and report the data so that state and local policy makers can understand the educational implications of changes in districts' demographic profiles over time as data are available.

Any report the commissioner disseminates containing summary data on student performance must integrate student performance and the demographic factors that strongly correlate with that performance.

Sec. 16. Minnesota Statutes 2023 Supplement, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance reports and public reporting.** (a) The commissioner shall report:



- (1) student academic performance data under section 120B.35, subdivisions 2 and 3;
  - (2) academic progress consistent with federal expectations;
  - (3) school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d);
  - (4) rigorous coursework under section 120B.35, subdivision 3, paragraph (c);
  - (5) the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and college readiness benchmarks under sections 120B.307 and 120B.35, subdivision 3, paragraph (e);
  - (6) longitudinal data on the progress of eligible districts in reducing disparities in students' academic achievement and realizing racial and economic integration under section 124D.861;
  - (7) the acquisition of English, and where practicable, native language academic literacy, including oral academic language, and the academic progress of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as English learners under section 124D.59;
  - (8) two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios;
  - (9) staff characteristics excluding salaries;
  - (10) student enrollment demographics;
  - (11) foster care status, including all students enrolled in a Minnesota public school course or program who are currently or were previously in foster care, student homelessness, and district mobility; and
  - (12) extracurricular activities.
- (b) The school performance report for a school site and a school district must include school performance reporting information and calculate proficiency rates as required by the most recently reauthorized Elementary and Secondary Education Act.
  - (c) The commissioner shall develop, annually update, and post on the department website school performance reports consistent with paragraph (a) and section 120B.11.
  - (d) The commissioner must make available performance reports by the beginning of each school year.
  - (e) A school or district may appeal its results in a form and manner determined by the commissioner and consistent with federal law. The commissioner's decision to uphold or deny an appeal is final.
  - (f) School performance data are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data. The commissioner shall annually post school performance

reports to the department's public website no later than September 1, except ~~that~~ in years when the reports reflect new performance standards. The commissioner shall post the school performance reports no later than October 1 in years with new performance standards for academic standards-based assessments, and no later than November 1 in years with new performance standards adopted under Minnesota Rules, part 3501.1200, for English language proficiency assessments.

Sec. 17. Minnesota Statutes 2023 Supplement, section 121A.041, subdivision 2, is amended to read:

Subd. 2. **Prohibition on American Indian mascots.** (a) Starting September 1, ~~2025~~ 2026, a public school may not have or adopt a name, symbol, or image that depicts or refers to an American Indian Tribe, individual, custom, or tradition to be used as a mascot, nickname, logo, letterhead, or team name of the school, district, or school within the district, unless the school has obtained an exemption under subdivision 3.

(b) The prohibition in paragraph (a) does not apply to a public school located within the reservation of a federally recognized Tribal Nation in Minnesota, where at least 95 percent of students meet the state definition of American Indian student.

(c) A school district with a prohibited American Indian mascot according to paragraph (a), that has not received an exemption according to subdivision 3, must report to the chairs and ranking minority members of the legislative committees having jurisdiction over kindergarten through grade 12 education policy by February 14, 2025, and again by February 1, 2026, on the district's progress to comply with this section; and the district must submit copies of the reports to the Legislative Reference Library. The reports must include the following:

(1) confirmation that the district has removed the American Indian mascot, nickname, logo, letterhead, or team name from the district website;

(2) confirmation that the board of the district has approved a new mascot, nickname, logo, letterhead, or team name;

(3) a summary of the district's progress on removing the American Indian mascot, nickname, logo, letterhead, or team name from uniforms, equipment, signs, elements of facilities, and other district items; and

(4) a summary of resources necessary to comply with the prohibition in paragraph (a) and the district's plan to raise and allocate any necessary funds.

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

Sec. 18. Minnesota Statutes 2023 Supplement, section 121A.041, subdivision 3, is amended to read:

Subd. 3. **Exemption.** A public school may seek an exemption to subdivision 2 by submitting a request in writing to all 11 federally recognized Tribal Nations in Minnesota and to the Tribal Nations Education Committee by September 1, 2023. The exemption is denied if any of the 11 Tribal Nations or the Tribal Nations Education Committee oppose the exemption by December 15, 2023. A public

school whose request for an exemption is denied must comply with subdivision 2 by September 1, ~~2025~~ 2026.

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

Sec. 19. **[121A.08] SMUDGING PERMITTED.**

An American Indian student or staff member may use tobacco, sage, sweetgrass, and cedar to conduct individual or group smudging in a public school. The process for conducting smudging is determined by the building or site administrator. Smudging must be conducted under the direct supervision of an appropriate staff member, as determined by the building or site administrator.

Sec. 20. Minnesota Statutes 2023 Supplement, section 121A.642, is amended by adding a subdivision to read:

Subd. 3. **Consultation.** A school district or charter school must consult the exclusive representative for employees receiving this training before creating or planning the training required under this section.

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

Sec. 21. **[121A.80] STUDENT JOURNALISM; STUDENT EXPRESSION.**

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

(b) "School-sponsored media" means material that is:

(1) prepared, wholly or substantially written, published, broadcast, or otherwise disseminated by a student journalist enrolled in a school district or charter school;

(2) distributed or generally made available to students in the school; and

(3) prepared by a student journalist under the supervision of a student media adviser.

School-sponsored media does not include material prepared solely for distribution or transmission in the classroom in which the material is produced, or a yearbook.

(c) "School official" means a school principal under section 123B.147 or other person having administrative control or supervision of a school.

(d) "Student journalist" means a school district or charter school student in grades 6 through 12 who gathers, compiles, writes, edits, photographs, records, or otherwise prepares information for dissemination in school-sponsored media.

(e) "Student media adviser" means a qualified teacher, as defined in section 122A.16, that a school district or charter school employs, appoints, or designates to supervise student journalists or provide instruction relating to school-sponsored media.

Subd. 2. **Student journalists; protected conduct.** (a) Except as provided in subdivision 3, a student journalist has the right to exercise freedom of speech and freedom of the press in school-sponsored media regardless of whether the school-sponsored media receives financial support from the school or district, uses school equipment or facilities in its production, or is produced as part of a class or course in which the student journalist is enrolled. Freedom of speech includes freedom to express political viewpoints. Consistent with subdivision 3, a student journalist has the right to determine the news, opinion, feature, and advertising content of school-sponsored media. A school district or charter school must not discipline a student journalist for exercising rights or freedoms under this paragraph or the First Amendment of the United States Constitution.

(b) A school district or charter school must not retaliate or take adverse employment action against a student media adviser for supporting a student journalist exercising rights or freedoms under paragraph (a) or the First Amendment of the United States Constitution.

(c) Notwithstanding the rights or freedoms of this subdivision or the First Amendment of the United States Constitution, nothing in this section inhibits a student media adviser from teaching professional standards of English and journalism to student journalists.

Subd. 3. **Unprotected expression.** (a) This section does not authorize or protect student expression that:

(1) is defamatory;

(2) is profane, harassing, threatening, or intimidating;

(3) constitutes an unwarranted invasion of privacy;

(4) violates federal or state law;

(5) causes a material and substantial disruption of school activities; or

(6) is directed to inciting or producing imminent lawless action on school premises or the violation of lawful school policies or rules, including a policy adopted in accordance with section 121A.03 or 121A.031.

(b) Nothing in this section authorizes the publication of an advertisement by school-sponsored media that promotes the purchase of a product or service that is unlawful for purchase or use by minors.

(c) A school or district must not authorize any prior restraint of school-sponsored media except under this subdivision.

Subd. 4. **Student journalist policy.** School districts and charter schools must adopt and post on the district or charter school website a student journalist policy consistent with this section.

**EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

Sec. 22. **[123B.32] LANGUAGE ACCESS PLAN.**

Subdivision 1. **Language access plan required.** Starting in the 2025-2026 school year, during a regularly scheduled public board hearing, a school board must adopt a language access plan that specifies the district's process and procedures to render effective language assistance to students and adults who communicate in a language other than English. The language access plan must be available to the public and included in the school's handbook.

Subd. 2. **Plan requirements.** The language access plan must include how the district and its schools will use trained or certified spoken language interpreters for communication related to academic outcomes, progress, determinations, and placement of students in specialized programs and services; and how families and communities will be notified of their rights under this plan.

Subd. 3. **Regular review.** The board must review the plan every two years and update the plan as appropriate.

Sec. 23. Minnesota Statutes 2022, section 123B.37, subdivision 2, is amended to read:

Subd. 2. **Boards shall not withhold grades or diplomas for nonpayment of student fees.** No pupil's rights or privileges, including the receipt of grades or diplomas may be denied or abridged for nonpayment of fees; but this provision does not prohibit a district from maintaining any action provided by law for the collection of fees authorized by sections 123B.36 and 123B.38. This provision applies to all Minnesota district school boards, charter school boards, and Tribal contract schools.

Sec. 24. Minnesota Statutes 2022, section 124D.09, subdivision 7, is amended to read:

Subd. 7. **Dissemination of information; notification of intent to enroll.** By the earlier of (1) three weeks prior to the date by which a student must register for district courses for the following school year, or (2) March 1 of each year, a district must provide up-to-date information on the district's website and in materials that are distributed to parents and students about the program, including information about enrollment requirements and the ability to earn postsecondary credit to all pupils in grades 8, 9, 10, and 11. To assist the district in planning, a pupil must inform the district by October 30 or May 30 of each year of the pupil's intent to enroll in postsecondary courses during the following ~~school year~~ academic term. A pupil is bound by notifying or not notifying the district by October 30 or May 30.

Sec. 25. Minnesota Statutes 2022, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, or another location, according to an agreement between a public school board and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section apply to a pupil, public school board, district, and the governing body of a postsecondary institution, except as otherwise provided. A secondary school and a postsecondary institution that enrolls eligible pupils in courses according to agreements must annually report to the commissioner the participation rates of pupils enrolled in courses according to agreements, including the number of pupils enrolled and the number of courses taken for postsecondary or dual credit.

(b) To encourage students, especially American Indian students and students of color, to consider teaching as a profession, participating schools, school districts, and postsecondary institutions are

encouraged to develop and offer an "Introduction to Teaching" or "Introduction to Education" course under this subdivision. For the purpose of applying for grants under this paragraph, "eligible institution" includes schools and districts that partner with an accredited college or university in addition to postsecondary institutions identified in subdivision 3, paragraph (a). Grant recipients under this paragraph must annually report to the commissioner in a form and manner determined by the commissioner on the participation rates of students in courses under this paragraph, including the number of students who apply for admission to colleges or universities with teacher preparation programs and the number of students of color and American Indian students who earned postsecondary credit. Grant recipients must also describe recruiting efforts intended to ensure that the percentage of participating students who are of color or American Indian meets or exceeds the overall percentage of students of color or American Indian students in the school.

Sec. 26. Minnesota Statutes 2022, section 124D.09, subdivision 10b, is amended to read:

Subd. 10b. **Concurrent Enrollment Advisory Board; membership; duties.** (a) A postsecondary institution offering courses taught by the secondary teacher according to subdivision 10 must establish an advisory board. The purpose of the advisory board is to engage stakeholders in concurrent enrollment decisions. The duties of the board must include the following:

- (1) providing strategic advice and input relating to concurrent enrollment issues;
  - (2) recommend and review proposals for concurrent enrollment course offerings;
  - (3) serve as a coordinating entity between secondary education and postsecondary institutions;
- and
- (4) increase the understanding and collaboration among concurrent enrollment partners, stakeholders, the legislature, and the public.

(b) The advisory board at each institution must consist of 16 members in addition to a concurrent enrollment faculty coordinator who shall serve as the chair and convene the meetings. A postsecondary institution may elect to have an advisory board of less than 16 members if the institution determines that the extent of its concurrent program warrants a smaller board. Except for the original members, advisory board members must serve three-year staggered terms. Advisory board members, appointed by the postsecondary institution, must be balanced based on geography and school size, and include, if practical, representatives from the following:

- (1) postsecondary faculty members;
- (2) school superintendents;
- (3) secondary and postsecondary students;
- ~~(3)~~ (4) high school principals;
- ~~(4)~~ (5) concurrent enrollment teachers;
- ~~(5)~~ (6) high school counselors;
- ~~(6)~~ (7) charter school administrators;

- ~~(7)~~ (8) school board members;
- ~~(8)~~ (9) secondary academic administrators;
- ~~(9)~~ (10) parents; and
- ~~(10)~~ (11) other local organizations.

(c) Members of the board serve without compensation.

(d) The board shall report to the postsecondary institution periodically as requested by the postsecondary institution to provide advice and proposals described in paragraph (a).

(e) The postsecondary institution shall provide administrative services and meeting space for the board to do its work.

(f) A board established under this section expires when the postsecondary institution no longer offers concurrent enrollment course offerings.

(g) The postsecondary institution shall appoint the first members to the advisory board by October 31, 2015, or by October 15 following the year it establishes a concurrent enrollment program. The postsecondary institution shall designate the terms of the first members so that an approximately equal number serve terms of two, three, and four years.

Sec. 27. Minnesota Statutes 2023 Supplement, section 124D.09, subdivision 12, is amended to read:

Subd. 12. **Credits; grade point average weighting policy.** (a) A pupil must not audit a course under this section.

(b) A district must grant academic credit to a pupil enrolled in a course for secondary credit if the pupil successfully completes the course. Seven quarter or four semester college credits equal at least one full year of high school credit. Fewer college credits may be prorated. A district must also grant academic credit to a pupil enrolled in a course for postsecondary credit if secondary credit is requested by a pupil. If no comparable course is offered by the district, the district must, as soon as possible, notify the commissioner, who must determine the number of credits that must be granted to a pupil who successfully completes a course. If a comparable course is offered by the district, the school board must grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the board's decision to the commissioner. The commissioner's decision regarding the number of credits is final.

(c) A school board must adopt a policy regarding weighted grade point averages for any high school or dual enrollment course. A school board must adopt an identical policy regarding weighted grade point averages for credits earned via postsecondary coursework as it gives to credits earned via concurrent enrollment coursework. The policy must state whether the district offers weighted grades. A school board must annually publish on its website a list of courses for which a student may earn a weighted grade.

(d) The secondary credits granted to a pupil must be counted toward the graduation requirements and subject area requirements of the district. Evidence of successful completion of each course and secondary credits granted must be included in the pupil's secondary school record. A pupil must provide the school with a copy of the pupil's grades in each course taken for secondary credit under this section, including interim or nonfinal grades earned during the academic term. Upon the request of a pupil, the pupil's secondary school record must also include evidence of successful completion and credits granted for a course taken for postsecondary credit. In either case, the record must indicate that the credits were earned at a postsecondary institution.

(e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the postsecondary institution must award postsecondary credit for any course successfully completed for secondary credit at that institution. Other postsecondary institutions may award, after a pupil leaves secondary school, postsecondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

(f) The Board of Trustees of the Minnesota State Colleges and Universities and the Board of Regents of the University of Minnesota must, and private nonprofit and proprietary postsecondary institutions should, award postsecondary credit for any successfully completed courses in a program certified by the National Alliance of Concurrent Enrollment Partnerships offered according to an agreement under subdivision 10. Consistent with section 135A.101, subdivision 3, all MnSCU institutions must give full credit to a secondary pupil who completes for postsecondary credit a postsecondary course or program that is part or all of a goal area or a transfer curriculum at a MnSCU institution when the pupil enrolls in a MnSCU institution after leaving secondary school. Once one MnSCU institution certifies as completed a secondary student's postsecondary course or program that is part or all of a goal area or a transfer curriculum, every MnSCU institution must consider the student's course or program for that goal area or the transfer curriculum as completed.

Sec. 28. Minnesota Statutes 2022, section 124D.60, subdivision 1, is amended to read:

Subdivision 1. **Notice.** Within ten 30 calendar days after the enrollment of any pupil in an instructional program for English learners beginning of the school year, the district or charter school in which the pupil resides English learner identified for participation in an instructional program for English learners is enrolled must notify the parent by mail parents. For those children who have not been identified as English learners prior to the beginning of the school year but are identified as English learners during that school year, the district or charter school shall notify the children's parents during the first two weeks of the child being placed in a language instruction educational program. This notice must:

- (1) be in writing in English and in the primary language of the pupil's parents;
- (2) inform the parents that their child has been enrolled in an instructional program for English learners;
- (3) contain a simple, nontechnical description of the purposes, method and content of the program;
- (4) inform the parents that they have the right to visit the educational program for English learners in which their child is enrolled;



(5) inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and

(6) inform the parents of their rights to withdraw their child from an educational program for English learners and the time and manner in which to do so.

The department shall, at the request of the district, prepare the notice in the primary language of the parent.

Sec. 29. Minnesota Statutes 2022, section 124D.61, is amended to read:

**124D.61 GENERAL REQUIREMENTS FOR PROGRAMS.**

A district that enrolls one or more English learners must implement an educational program that includes at a minimum the following requirements:

(1) identification and reclassification criteria for English learners and program entrance and exit criteria for English learners must be documented by the district, applied uniformly to English learners, and made available to parents and other stakeholders upon request;

(2) language development instruction that is designed to effectively increase the language proficiency of English learners and that addresses Minnesota's English language development standards under Minnesota Rules, parts 3501.1200 and 3501.1210;

~~(2)~~ (3) a written plan of services that describes programming by English proficiency level made available to parents upon request. The plan must articulate the amount and scope of service offered to English learners through an educational program for English learners;

~~(3)~~ (4) professional development opportunities for ESL, bilingual education, mainstream, and all staff working with English learners which are: (i) coordinated with the district's professional development activities; (ii) related to the needs of English learners; and (iii) ongoing;

~~(4)~~ (5) to the extent possible, avoid isolating English learners for a substantial part of the school day; and

~~(5)~~ (6) in predominantly nonverbal subjects, such as art, music, and physical education, permit English learners to participate fully and on an equal basis with their contemporaries in public school classes provided for these subjects. To the extent possible, the district must assure to pupils enrolled in a program for English learners an equal and meaningful opportunity to participate fully with other pupils in all extracurricular activities.

Sec. 30. **ALTERNATIVE TO PUBLISHING.**

Notwithstanding any law to the contrary, the following school districts may publish their official proceedings on their websites instead of publishing them in a newspaper: Independent School District No. 720, Shakopee; Independent School District No. 717, Jordan; Independent School District No. 719, Prior Lake-Savage; and Independent School District No. 112, Eastern Carver County. This section expires August 1, 2026.

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

Sec. 31. **REVISOR INSTRUCTION.**

In Minnesota Statutes, the revisor of statutes must substitute the term "comprehensive achievement and civic readiness" for "world's best workforce" wherever the term refers to Minnesota Statutes, section 120B.11. The revisor shall also make grammatical changes related to the change in terms.

Sec. 32. **REPEALER.**

Minnesota Statutes 2022, section 120B.31, subdivisions 2 and 6, are repealed.

**ARTICLE 3****TEACHERS**

Section 1. Minnesota Statutes 2023 Supplement, section 120B.117, subdivision 4, is amended to read:

Subd. 4. **Reporting.** ~~Beginning in 2024 and every even-numbered year thereafter,~~ The Professional Educator Licensing and Standards Board must collaborate with the Department of Education and the Office of Higher Education to publish a summary report of each of the programs they administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.59, 122A.63, 122A.635, 122A.70, 122A.73, 124D.09, 124D.861, 136A.1274, 136A.1276, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. The board must, in coordination with the Office of Higher Education and Department of Education, provide policy and funding recommendations related to state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must include recommendations for state policy and funding needed to achieve the goals of this section, plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The 2024 initial report must also include a recommendation of whether a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the Indian Affairs Council and other ethnic councils along with other community partners, including students of color and American Indian students, in developing the report. ~~By November 3 of each odd-numbered year,~~ The board must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance by November 3, 2025, for the initial report, and by November 3 each even-numbered year thereafter. The report must be available to the public on the board's website.

Sec. 2. Minnesota Statutes 2022, section 122A.091, subdivision 5, is amended to read:

Subd. 5. ~~Survey of districts~~ **Supply and demand report.** ~~(a)~~ The Professional Educator Licensing and Standards Board must ~~survey the state's school districts and teacher preparation~~

~~programs and~~ submit a report to the education committees of the legislature by February 1, 2019, and each odd-numbered November 1, 2025, and November 1 of each even-numbered year thereafter, on the status of teacher early supply and demand of teachers. The report must be made available on the board's website. The report must include data regarding:

~~(1) retirement patterns, the access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school;~~

(2) teacher licensure;

(3) teacher diversity, including whether the state's teacher workforce reflects the diversity of the state's student population;

(4) the teacher shortage, and the substitute teacher shortage, including patterns and shortages in licensure field areas and the economic development regions of the state;

(5) survey data from school districts and teacher preparation programs; and

~~(b) The report must also include:~~

~~(1) aggregate data on teachers' self-reported race and ethnicity;~~

~~(2) data on how (6) whether districts are making progress in hiring teachers and substitute teachers in the areas of shortage; and~~

~~(3) a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.~~

Sec. 3. Minnesota Statutes 2022, section 122A.092, is amended by adding a subdivision to read:

Subd. 9. **Ableism and disability justice.** A teacher preparation program is encouraged to include instruction for teacher candidates on ableism and disability justice, provided by a person with a disability and expertise related to ableism and disability justice.

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

Sec. 4. Minnesota Statutes 2023 Supplement, section 122A.18, subdivision 1, is amended to read:

Subdivision 1. **Authority to license.** (a) The Professional Educator Licensing and Standards Board must issue the following teacher licenses to applicants who meet the qualifications prescribed by this chapter:

(1) Tier 1 license under section 122A.181;

(2) Tier 2 license under section 122A.182;

(3) Tier 3 license under section 122A.183; and

(4) Tier 4 license under section 122A.184.

(b) The Board of School Administrators must license supervisory personnel as defined in section 122A.15, subdivision 2, except for athletic coaches.

(c) The Professional Educator Licensing and Standards Board and the Department of Education must enter into a data sharing agreement to share:

(1) educational data at the E-12 level for the limited purpose of program approval and improvement for teacher education programs. The program approval process must include targeted redesign of teacher preparation programs to address identified E-12 student areas of concern; and

(2) data in the staff automated reporting system for the limited purpose of managing and processing funding to school districts and other entities. The board has authority to collect and retain nonlicensed staff data on behalf of the Department of Education. The board must share licensed and nonlicensed staff data with the department as outlined in the data sharing agreement required under section 122A.18, subdivision 1, paragraph (d). The department may access and use the data as required under federal or state law and for the purposes outlined in the data sharing agreement.

(d) The Board of School Administrators and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for education administration programs. The program approval process must include targeted redesign of education administration preparation programs to address identified E-12 student areas of concern.

(e) For purposes of the data sharing agreements under paragraphs (c) and (d), the Professional Educator Licensing and Standards Board, Board of School Administrators, and Department of Education may share private data, as defined in section 13.02, subdivision 12, on teachers and school administrators. The data sharing agreements must not include educational data, as defined in section 13.32, subdivision 1, but may include summary data, as defined in section 13.02, subdivision 19, derived from educational data.

Sec. 5. Minnesota Statutes 2022, section 122A.181, is amended by adding a subdivision to read:

Subd. 1a. **Special education requirements.** (a) The Professional Educator Licensing and Standards Board must approve an application for a Tier 1 license in a special education field if:

(1) the application meets all the requirements under subdivision 1;

(2) the district or charter school affirms that the applicant will receive high-quality professional development that is sustained, intensive, and classroom focused in order to have a positive and lasting impact on classroom instruction, before and while teaching;

(3) the district or charter school affirms that the applicant will participate in a program of intensive supervision that consists of structured guidance and regular ongoing support for teachers or a teacher mentoring program; and

(4) the applicant demonstrates satisfactory progress toward professional licensure.

(b) A teacher with a Tier 1 license in a special education field may assume the functions as a teacher for a period of time not to exceed three years.

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

Sec. 6. Minnesota Statutes 2023 Supplement, section 122A.181, subdivision 2, is amended to read:

Subd. 2. **Professional requirements.** ~~(a) An applicant for a Tier 1 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study, unless the applicant meets an exemption identified in subdivision 2a.~~

~~(b) An applicant for a Tier 1 license must have one of the following credentials in a relevant content area to teach a class in a career and technical education or career pathways course of study:~~

- ~~(1) an associate's degree;~~
- ~~(2) a professional certification; or~~
- ~~(3) five years of relevant work experience.~~

Sec. 7. Minnesota Statutes 2022, section 122A.182, is amended by adding a subdivision to read:

Subd. 1a. **Special education requirements.** The Professional Educator Licensing and Standards Board must approve an application for a Tier 2 license in a special education field if:

- (1) the application meets all the requirements under subdivision 1;
- (2) the district or charter school affirms that the applicant will receive high-quality professional development that is sustained, intensive, and classroom focused in order to have a positive and lasting impact on classroom instruction, before and while teaching;
- (3) the district or charter school affirms that the applicant will participate in a program of intensive supervision that consists of structured guidance and regular ongoing support for teachers or a teacher mentoring program; and
- (4) the applicant demonstrates satisfactory progress toward professional licensure.

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

Sec. 8. Minnesota Statutes 2023 Supplement, section 122A.183, subdivision 2, is amended to read:

Subd. 2. **Coursework.** An applicant for a Tier 3 license must meet the coursework requirement by demonstrating one of the following:

- (1) completion of a Minnesota-approved teacher preparation program;
- (2) completion of a state-approved teacher preparation program that includes field-specific student teaching equivalent to field-specific student teaching in Minnesota-approved teacher preparation programs. The field-specific student teaching requirement does not apply to an applicant that has two years of field-specific teaching experience;

(3) ~~submission of a content-specific~~ a recommendation for licensure through the licensure via portfolio process;

(4) a professional teaching license from another state, evidence that the applicant's license is in good standing, and two years of field-specific teaching experience; or

(5) three years of teaching experience under a Tier 2 license and evidence of summative teacher evaluations that did not result in placing or otherwise keeping the teacher on an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Sec. 9. Minnesota Statutes 2023 Supplement, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to an applicant who provides information sufficient to demonstrate all of the following:

(1) the applicant meets all requirements for a Tier 3 license under section 122A.183, and: (i) has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2); (ii) obtained licensure through the licensure via portfolio process under section 122A.183, subdivision 2, clause (3); or (iii) holds national board certification from the National Board for Professional Teaching Standards;

(2) the applicant has at least three years of field-specific teaching experience as a teacher of record;

(3) the applicant has obtained a passing score on all required licensure exams under section 122A.185; and

(4) if the applicant previously held a Tier 3 license under section 122A.183, the applicant has completed the renewal requirements in section 122A.187.

Sec. 10. Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** (a) The board must adopt rules requiring applicants for Tier 3 and Tier 4 licenses to pass an examination or performance assessment of general pedagogical knowledge and examinations or assessments of licensure field specific content. An applicant is exempt from the examination requirements if the applicant ~~completed~~:

(1) completed a board-approved teacher preparation program;

(2) completed licensure via portfolio pursuant to section 122A.18, subdivision 10, and the portfolio has been ~~approved~~ recommended; or

(3) obtained national board certification from the National Board for Professional Teaching Standards; or

~~(3)~~ (4) completed a state-approved teacher preparation program in another state and passed licensure examinations in that state, if applicable. The content examination requirement does not apply if no relevant content exam exists.

(b) All testing centers in the state must provide monthly opportunities for untimed content and pedagogy examinations. These opportunities must be advertised on the test registration website. The board must require the exam vendor to provide other equitable opportunities to pass exams, including: (1) waiving testing fees for test takers who qualify for federal grants; (2) providing free, multiple, full-length practice tests for each exam and free, comprehensive study guides on the test registration website; (3) making content and pedagogy exams available in languages other than English for teachers seeking licensure to teach in language immersion programs; and (4) providing free, detailed exam results analysis by test objective to assist applicants who do not pass an exam in identifying areas for improvement. Any applicant who has not passed a required exam after two attempts must be allowed to retake the exam, including new versions of the exam, without being charged an additional fee.

Sec. 11. Minnesota Statutes 2022, section 122A.185, subdivision 3, is amended to read:

Subd. 3. **Testing accommodations.** The board and the entity administering the content, ~~and pedagogy, and skills~~ examinations must allow any individual who produces documentation of a disability in the form of an evaluation, 504 plan, or individual education program (IEP) to receive the same testing accommodations on the content, ~~and pedagogy, and skills~~ examinations that the applicant received during the applicant's secondary or postsecondary education.

Sec. 12. Minnesota Statutes 2022, section 122A.20, is amended by adding a subdivision to read:

Subd. 4. **Prohibition on teaching assignment.** A school district or charter school may not place a teacher in a teaching assignment if the teacher has been criminally charged in state or federal court with any of the offenses listed in subdivision 1, paragraph (b), or is charged with any other offense not listed in this section that requires the person to register as a predatory offender under section 243.166, or a crime under a similar law of another state or the United States.

Sec. 13. Minnesota Statutes 2022, section 122A.33, subdivision 2, is amended to read:

Subd. 2. **Annual contract.** (a) Notwithstanding section 122A.58, a person employed as a head varsity coach has an annual contract as a coach that the school board may or may not renew as the board sees fit.

(b) A school board must provide written notice to a coach whose contract the school board declines to renew for the following school year no more than 60 days after the end of the regular season for the activity, as established by the high school league under chapter 128C. The notice requirement of this paragraph does not apply if the school board declines to renew the contract based on the coach's misconduct or failure to perform duties, or the district's financial limitations.

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

Sec. 14. Minnesota Statutes 2023 Supplement, section 122A.40, subdivision 8, is amended to read:

Subd. 8. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices, improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 5;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;

(3) must include a rubric of performance standards for teacher practice that: (i) is based on ~~professional teaching standards established in rule~~ the standards of effective practice in Minnesota Rules, part 8710.2000; (ii) includes culturally responsive methodologies; and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;



(10) must use longitudinal data on student engagement and connection, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of content areas of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) to (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 15. Minnesota Statutes 2023 Supplement, section 122A.41, subdivision 5, is amended to read:

**Subd. 5. Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

(3) must include a rubric of performance standards for teacher practice that: (i) is based on ~~professional teaching standards established in rule~~ the standards of effective practice in Minnesota Rules, part 8710.2000; (ii) includes culturally responsive methodologies; and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include

teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) to (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 16. **[122A.615] ABLEISM AND DISABILITY JUSTICE.**

A school district or charter school is encouraged to include training on ableism and disability justice provided by a person with a disability and expertise related to ableism and disability justice in its professional development activities for teachers and paraprofessionals, Title I aides, and other instructional support staff.

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

Sec. 17. Minnesota Statutes 2023 Supplement, section 122A.631, subdivision 2, is amended to read:

Subd. 2. **Definition.** "Heritage language and culture ~~teachers~~ teacher" means ~~teachers~~ a teacher with a familial connection to a their community's language and culture, who use is proficient in the language and engaged in the culture, and uses this connection to support students as they learn academic content or, become proficient in the language, and engage with the culture of that particular community. For the purposes of this section, a heritage language and culture teacher of American Sign Language is a teacher with a childhood connection to American Sign Language and whose primary language is American Sign Language.

Sec. 18. Minnesota Statutes 2023 Supplement, section 122A.631, subdivision 4, is amended to read:

Subd. 4. **Heritage language and culture teacher licensure pathway program.** (a) The Professional Educator Licensing and Standards Board shall develop a program to support initial and additional licensure for heritage language and culture teachers. The board may prioritize the participation of heritage language and culture teachers whose own heritage language is within the most common languages spoken by Minnesota students, as indicated by the Department of Education report on primary home languages, and for which there are fewer teacher preparation programs for that licensure area or fewer teachers that hold a license in that area. The program must include:

- (1) a yearlong mentorship program;
- (2) monthly meetings where applicants receive guidance on completing the portfolio process from a portfolio liaison, dedicated specifically to facilitating this program;
- (3) a stipend to cover substitute teachers when meetings take place during the school day;
- (4) a waiver for all portfolio and licensure testing fees; and

(5) a portfolio review committee created by the board.

(b) For applicants seeking an initial license in a world language and culture, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000, and content-specific pedagogical standards in Minnesota Rules, part 8710.4950, through the portfolio process.

(c) For applicants seeking a dual license, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000, content-specific pedagogical standards in Minnesota Rules, part 8710.4950, and all standards for the chosen dual license through the portfolio process.

(d) For applicants seeking an additional license in a world language and culture, the applicant must demonstrate meeting the content-specific pedagogical standards in Minnesota Rules, part 8710.4950.

Sec. 19. Minnesota Statutes 2023 Supplement, section 122A.70, subdivision 2, is amended to read:

Subd. 2. **Board grants.** (a) The Professional Educator Licensing and Standards Board must make grant application forms available to sites interested in developing, sustaining, or expanding a mentorship program.

(b) The following applicants are eligible for a program grant:

(1) a school district or group of school districts, a school or coalition of schools, or a coalition of teachers may apply for a program grant, charter school, or cooperative unit, on behalf of its participating schools sites;

(2) a Tribal contract school;

(3) a coalition of teachers; and

(4) a coalition of two or more applicants that are individually eligible for a grant.

A higher education institution or nonprofit organization may partner with a an eligible grant applicant but is not eligible as a sole applicant for grant funds.

(c) The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Sec. 20. **REPEALER.**

(a) Minnesota Statutes 2022, section 122A.2451, subdivision 9, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 4, is repealed.

**ARTICLE 4****THE READ ACT**

Section 1. Minnesota Statutes 2023 Supplement, section 120B.1117, is amended to read:

**120B.1117 TITLE; THE READ ACT.**

Sections ~~120B.1117~~ 120B.118 to 120B.124 may be cited as the "Reading to Ensure Academic Development Act" or the "Read Act."

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

Sec. 2. Minnesota Statutes 2023 Supplement, section 120B.1118, is amended by adding a subdivision to read:

**Subd. 2a. Certified trained facilitator.** "Certified trained facilitator" means a person employed by a district or regional literacy network who has completed professional development approved by the Department of Education in structured literacy, completed the vendor's certification prerequisites and facilitator training requirements, completed the vendor's annual recertification requirements, remains in good standing with the sponsoring agency and vendor, uses the vendor's training materials with fidelity, and participates in mentoring or coaching provided by CAREI and the Department of Education on facilitating literacy training. A literacy lead who meets the requirements under this subdivision may be a certified trained facilitator.

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

Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.1118, subdivision 7, is amended to read:

**Subd. 7. Literacy specialist.** "Literacy specialist" means a person licensed by the Professional Educator Licensing and Standards Board as a teacher of reading, a special education teacher, or a kindergarten through grade 6 teacher, who has completed professional development approved by the Department of Education in structured literacy. ~~A literacy specialist employed by the department under section 120B.123, subdivision 7, or by a district as a literacy lead, is not required to complete the approved training before August 30, 2025.~~

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

Sec. 4. Minnesota Statutes 2023 Supplement, section 120B.1118, subdivision 10, is amended to read:

**Subd. 10. Oral language.** "Oral language," also called "spoken language," includes speaking and listening, and consists of five components: phonology, morphology, syntax, semantics, and pragmatics. Oral language also includes sign language, in which speaking and listening skills are defined as expressive and receptive skills, and consists of phonology, including sign language phonological awareness, morphology, syntax, semantics, and pragmatics.

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

Sec. 5. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 1, is amended to read:

Subdivision 1. **Literacy goal.** (a) The legislature seeks to have every child reading at or above grade level every year, beginning in kindergarten, and to support multilingual learners and students receiving special education services in achieving their individualized reading goals in order to meet grade-level proficiency. By the 2026-2027 school year, districts must provide evidence-based reading instruction through a focus on student mastery of the foundational reading skills of phonemic awareness, phonics, and fluency, as well as the development of oral language, vocabulary, and reading comprehension skills. Students must receive evidence-based instruction that is proven to effectively teach children to read, consistent with sections ~~120B.117~~ 120B.118 to 120B.124.

(b) To meet this goal, each district must provide teachers and instructional support staff with responsibility for teaching reading with training on evidence-based reading instruction that is approved by the Department of Education by the deadlines provided in ~~this subdivision~~ section 120B.123, subdivision 5. ~~The commissioner may grant a district an extension to the deadlines in this paragraph. Beginning July 1, 2024, a district must provide access to the training required under section 120B.123, subdivision 5, to:~~

~~(1) intervention teachers working with students in kindergarten through grade 12;~~

~~(2) all classroom teachers of students in kindergarten through grade 3 and children in prekindergarten programs;~~

~~(3) special education teachers;~~

~~(4) curriculum directors;~~

~~(5) instructional support staff who provide reading instruction; and~~

~~(6) employees who select literacy instructional materials for a district.~~

~~(e) All other teachers and instructional staff required to receive training under the Read Act must complete the training no later than July 1, 2027.~~

~~(c)~~ (c) Districts are strongly encouraged to adopt a MTSS framework. The framework should include a process for monitoring student progress, evaluating program fidelity, and analyzing student outcomes and needs in order to design and implement ongoing evidenced-based instruction and interventions.

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

Sec. 6. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 2, is amended to read:

Subd. 2. **Identification; report.** (a) ~~Twice per year~~, Each school district must screen every student enrolled in kindergarten, grade 1, grade 2, and grade 3 using a screening tool approved by the Department of Education three times each school year: (1) within the first six weeks of the school year; (2) by February 15 each year; and (3) within the last six weeks of the school year. Students enrolled in kindergarten, grade 1, grade 2, and grade 3, including multilingual learners and students

receiving special education services, must be universally screened for mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, oral language, and for characteristics of dyslexia as measured by a screening tool approved by the Department of Education. The screening for characteristics of dyslexia may be integrated with universal screening for mastery of foundational skills and oral language. A district must submit data on student performance in kindergarten, grade 1, grade 2, and grade 3 on foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language to the Department of Education in the annual local literacy plan submission due on June 15.

(b) Students in grades 4 and above, including multilingual learners and students receiving special education services, who do not demonstrate mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language, must be screened using a screening tool approved by the Department of Education for characteristics of dyslexia, and must continue to receive evidence-based instruction, interventions, and progress monitoring until the students achieve grade-level proficiency. A parent, in consultation with a teacher, may opt a student out of the literacy screener if the parent and teacher decide that continuing to screen would not be beneficial to the student. In such limited cases, the student must continue to receive progress monitoring and literacy interventions.

(c) Reading screeners in English, and in the predominant languages of district students where practicable, must identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of multilingual learners. The district must use an approved, developmentally appropriate, and culturally responsive screener and annually report summary screener results to the commissioner by June 15 in the form and manner determined by the commissioner.

(d) The district also must include in its literacy plan under subdivision 4a, a summary of the district's efforts to screen, identify, and provide interventions to students who demonstrate characteristics of dyslexia as measured by a screening tool approved by the Department of Education. Districts are strongly encouraged to use ~~the~~ a MTSS framework. With respect to students screened or identified under paragraph (a), the report must include:

- (1) a summary of the district's efforts to screen for dyslexia;
- (2) the number of students universally screened for that reporting year;
- (3) the number of students demonstrating characteristics of dyslexia for that year; and
- (4) an explanation of how students identified under this subdivision are provided with alternate instruction and interventions under section 125A.56, subdivision 1.

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

Sec. 7. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 2a, is amended to read:

Subd. 2a. **Parent notification and involvement.** A district must administer a an approved reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, by February 15 each year, and again within the last six weeks of the school year. Schools, ~~at~~



least ~~biannually~~ after administering each screener, must give the parent of each student who is not reading at or above grade level timely information about:

(1) the student's reading proficiency as measured by a screener approved by the Department of Education;

(2) reading-related services currently being provided to the student and the student's progress; and

(3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

A district may not use this section to deny a student's right to a special education evaluation.

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

Sec. 8. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 3, is amended to read:

Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district shall provide reading intervention to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and school year. A district is encouraged to provide reading intervention through a MTSS framework. If a student does not read at or above grade level by the end of the current school year, the district must continue to provide reading intervention until the student reads at grade level. District intervention methods shall encourage family engagement and, where possible, collaboration with appropriate school and community programs that specialize in evidence-based instructional practices and measure mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language. ~~By the 2025-2026 school year, intervention programs must be taught by an intervention teacher or special education teacher who has successfully completed training in evidence-based reading instruction approved by the Department of Education.~~ Intervention may include but is not limited to requiring student attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day, extended-day programs, or programs that strengthen students' cultural connections.

(b) A district or charter school is strongly encouraged to provide a personal learning plan for a student who is unable to demonstrate grade-level proficiency, as measured by the statewide reading assessment in grade 3 or a screener identified by the Department of Education under section 120B.123. The district or charter school must determine the format of the personal learning plan in collaboration with the student's educators and other appropriate professionals. The school must develop the learning plan in consultation with the student's parent or guardian. The personal learning plan must include targeted instruction that is evidence-based and ongoing progress monitoring, and address knowledge gaps and skill deficiencies through strategies such as specific exercises and practices during and outside of the regular school day, group interventions, periodic assessments or screeners, and reasonable timelines. The personal learning plan may include grade retention, if it is in the student's best interest; a student may not be retained solely due to delays in literacy or not demonstrating grade-level proficiency. A school must maintain and regularly update and modify the personal learning plan until the student reads at grade level. This paragraph does not apply to a student under an individualized education program.

(c) Starting in the 2025-2026 school year, a district must use only evidence-based literacy interventions. Districts are strongly encouraged to use intervention materials approved by the Department of Education under the Read Act.

(d) Starting in the 2026-2027 school year, to provide a Tier 2 literacy intervention, a paraprofessional or other unlicensed person, including a volunteer, must be supervised by a licensed teacher who has completed training in evidence-based reading instruction approved by the Department of Education, and has completed evidence-based training developed under the Read Act by CAREI or the regional literacy networks under section 120B.124, subdivision 4, or a training that the department has determined meets or exceeds the requirements of section 120B.124, subdivision 4.

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

Sec. 9. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 4, is amended to read:

Subd. 4. **Staff development.** (a) A district must provide training on evidence-based ~~reading~~ structured literacy instruction to teachers and instructional staff in accordance with subdivision 1, ~~paragraph~~ paragraphs (b) and (c). The training must include teaching in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, reading comprehension, and culturally and linguistically responsive pedagogy.

(b) Each district shall use the data under subdivision 2 to identify the staff development needs so that:

(1) elementary teachers are able to implement explicit, systematic, evidence-based instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension with emphasis on mastery of foundational reading skills as defined in section ~~120B.118~~ 120B.119 and other literacy-related areas including writing until the student achieves grade-level reading and writing proficiency;

(2) elementary teachers ~~have sufficient~~ receive training to provide students with evidence-based reading and oral language instruction that meets students' developmental, linguistic, and literacy needs using the intervention methods or programs selected by the district for the identified students;

(3) licensed teachers employed by the district have ~~regular~~ opportunities to improve reading and writing instruction through approved professional development identified in the local literacy plan;

(4) licensed teachers recognize students' diverse needs in cross-cultural settings and are able to serve the oral language and linguistic needs of students who are multilingual learners by maximizing strengths in their native languages in order to cultivate students' English language development, including oral academic language development, and build academic literacy; and

(5) licensed teachers are ~~well~~ trained in culturally responsive pedagogy that enables students to master content, develop skills to access content, and build relationships.

(c) A district that offers early childhood programs, including voluntary prekindergarten for eligible four-year-old children, early childhood special education, and school readiness programs,

must provide ~~staff~~ classroom teachers in early childhood programs ~~sufficient~~ training approved by the Department of Education to provide children in early childhood programs with explicit, systematic instruction in phonological and phonemic awareness; oral language, including listening comprehension; vocabulary; and letter-sound correspondence.

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

Sec. 10. Minnesota Statutes 2023 Supplement, section 120B.12, subdivision 4a, is amended to read:

Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must adopt a local literacy plan to have every child reading at or above grade level every year beginning in kindergarten and to support multilingual learners and students receiving special education services in achieving their individualized reading goals. A district must update and submit the plan to the commissioner by June 15 each year. The plan must be consistent with the Read Act, and include the following:

(1) a process to assess students' foundational reading skills, oral language, and level of reading proficiency and the approved screeners used, by school site and grade level, under section 120B.123;

(2) a process to notify and involve parents;

(3) a description of how schools in the district will determine the targeted reading instruction that is evidence-based and includes an intervention strategy for a student and the process for intensifying or modifying the reading strategy in order to obtain measurable reading progress;

(4) evidence-based intervention methods for students who are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention;

(5) identification of staff development needs, including a plan to meet those needs;

(6) the curricula used by school site and grade level and, if applicable, the district plan and timeline for adopting approved curricula and materials starting in the 2025-2026 school year;

(7) a statement of whether the district has adopted a MTSS framework;

(8) student data using the measures of foundational literacy skills and mastery identified by the Department of Education for the following students:

(i) students in kindergarten through grade 3;

(ii) students who demonstrate characteristics of dyslexia; and

(iii) students in grades 4 to 12 who are identified as not reading at grade level; ~~and~~

(9) the number of teachers and other staff ~~that~~ who have completed training approved by the department-;

(10) the number of teachers and other staff proposed for training in structured literacy; and

(11) how the district used funding provided under the Read Act to implement the requirements of the Read Act.

(b) The district must post its literacy plan on the official school district website and submit it to the commissioner of education using the template developed by the commissioner of education beginning June 15, 2024.

(c) By March 1, 2024, the commissioner of education must develop a streamlined template for local literacy plans that meets the requirements of this subdivision and requires all reading instruction and teacher training in reading instruction to be evidence-based. The template must require a district to report information using the student categories required in the commissioner's report under paragraph (d). The template must focus district resources on improving students' foundational reading skills while reducing paperwork requirements for teachers.

(d) By December 1, 2025, the commissioner of education must submit a report to the legislative committees with jurisdiction over prekindergarten through grade 12 education summarizing the local literacy plans submitted to the commissioner. The summary must include the following information:

(1) the number of teachers and other staff ~~that~~ who have completed training approved by the Department of Education;

(2) the number of teachers and other staff required to complete the training under section 120B.123, subdivision 5, who have not completed the training;

(3) the number of teachers exempt under section 120B.123, subdivision 5, from completing training approved by the Department of Education;

~~(2) (4)~~ by school site and grade, the approved screeners ~~used at the beginning and end of the school year~~ and the reading curriculum used; and

~~(3) (5)~~ by school site and grade, using the measurements of foundational literacy skills and mastery identified by the department, both aggregated data and disaggregated data on student performance on the approved screeners using the student categories under section 120B.35, subdivision 3, paragraph (a), clause (2).

(e) By December 1, 2026, and December 1, 2027, the commissioner of education must submit updated reports containing the information required under paragraph (d) to the legislative committees with jurisdiction over prekindergarten through grade 12 education.

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

Sec. 11. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 1, is amended to read:

Subdivision 1. **Approved screeners.** (a) A district must administer an approved evidence-based reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, by February 15 each year, and again within the last six weeks of the school year. The screener must be one of the screening tools approved by the Department of Education. A district must identify

any screener it uses in the district's annual literacy plan, and submit screening data with the annual literacy plan by June 15.

(b) Starting in the 2024-2025 school year, district staff, contractors, and volunteers may only use screeners that have been approved by the Department of Education.

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

Sec. 12. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 2, is amended to read:

Subd. 2. **Progress monitoring.** A district must implement progress monitoring, as defined in section ~~120B.118~~ 120B.119, for a student not reading at grade level.

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

Sec. 13. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 5, is amended to read:

Subd. 5. **Professional development.** (a) A district must provide training from a menu of approved evidence-based training programs to ~~all~~ the following teachers and staff by July 1, 2026:

(1) reading intervention teachers, literacy specialists, and other teachers and staff identified in section 120B.12, subdivision 1, paragraph (b), by July 1, 2025; and by July 1, 2027, to other teachers in the district, prioritizing teachers who work with students with disabilities, English learners, and students who qualify for the graduation incentives program under section 124D.68. working with students in kindergarten through grade 12;

(2) all classroom teachers of students in kindergarten through grade 3 and children in prekindergarten programs;

(3) special education teachers;

(4) curriculum directors;

(5) instructional support staff, contractors, and volunteers who assist in providing Tier 2 interventions;

(6) employees who select literacy instructional materials for a district; and

(7) teachers licensed to teach English to multilingual learners.

(b) A district must provide training from a menu of approved evidence-based training programs to the following teachers by July 1, 2027:

(1) teachers who provide reading instruction to students in grades 4 to 12; and

(2) teachers who provide instruction to students in a state-approved alternative program.

(c) The commissioner of education may grant a district an extension to the deadlines in this subdivision.

(d) Training provided by a department-approved certified trained facilitator may satisfy the professional development requirements under this subdivision.

(e) For the 2024-2025 school year only, the hours of instruction requirement under section 120A.41 for students in an elementary school, as defined in section 120A.05, subdivision 9, is reduced by 5-1/2 hours for a district that enters into an agreement with the exclusive representative of the teachers that requires teachers to receive at least 5-1/2 hours of approved evidence-based training required under this subdivision, on a day when other students in the district receive instruction. If a charter school's teachers are not represented by an exclusive representative, the charter school may reduce the number of instructional hours for students in an elementary school, as defined in section 120A.05, subdivision 9, by 5-1/2 hours after consulting with its teachers in order to provide teachers with at least 5-1/2 hours of evidence-based training required under this subdivision on a day when other students receive instruction.

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

Sec. 14. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 7, is amended to read:

Subd. 7. **Department of Education.** (a) By July 1, 2023, the department must make available to districts a list of approved evidence-based screeners in accordance with section 120B.12. A district must use an approved screener to assess students' mastery of foundational reading skills in accordance with section 120B.12.

(b) The Department of Education must partner with CAREI as required under section 120B.124 to approve professional development programs, subject to final determination by the department. After the implementation partnership under section 120B.124 ends, the department must continue to regularly provide districts with information about professional development opportunities available throughout the state on reading instruction that is evidence-based.

(c) The department and CAREI must identify training required for a literacy lead and literacy specialist employed by a district or Minnesota service cooperatives.

(d) The department must employ a one or more literacy specialist specialists to provide support to districts implementing the Read Act and coordinate duties assigned to the department under the Read Act. The literacy specialist must work on state efforts to improve literacy tracking and implementation.

(e) The department must develop a template for a local literacy plan in accordance with section 120B.12, subdivision 4a.

(f) The department must partner with CAREI as required under section 120B.124 to approve literacy intervention models, subject to final determination by the department. The department must make a list of the 15 approved evidence-based intervention models available to districts as they are approved by CAREI, starting November 1, 2025. Upon approval of the evidence-based intervention models, the department must ensure the models are reviewed by a contracted third party for culturally responsive guidance and materials, and make those findings available to districts once the review process is complete. The department must notify districts of the two-step review process for all

materials approved under the Read Act for effectiveness as evidence-based structured literacy, and for cultural responsiveness.

(g) The department and CAREI must provide ongoing coaching, mentoring, and support to certified trained facilitators.

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

Sec. 15. Minnesota Statutes 2023 Supplement, section 120B.124, subdivision 2, is amended to read:

Subd. 2. **Reconsideration.** (a) The department and CAREI must provide districts an opportunity to request that the department and CAREI add to the list of curricula or professional development programs a specific curriculum or professional development program. The department must publish the request for reconsideration procedure on the department website. A request for reconsideration must demonstrate that the curriculum or professional development program meets the requirements of the Read Act, is evidence-based, and has structured literacy components; ~~or that the screener accurately measures literacy growth, monitors progress, and accurately assesses effective reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension.~~ The department and CAREI must review the request for reconsideration and approve or deny the request within 60 days.

(b) The department and CAREI must conduct a final curriculum review of previously submitted curriculum by March 3, 2025, to review curriculum that is available to districts at no cost.

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

Sec. 16. Minnesota Statutes 2023 Supplement, section 120B.124, is amended by adding a subdivision to read:

Subd. 5. **Ongoing review of literacy materials.** The department may partner with one or more institutions of higher education to conduct independent and objective reviews of curriculum and intervention materials. The department must determine whether it will partner with an institution of higher education to conduct ongoing reviews of literacy materials by June 1, 2026. A publisher may submit curriculum or intervention materials for review. The publisher is responsible for paying the cost of the review directly to the institution of higher education. The review must use the rubric used to approve curriculum under subdivision 1. The department and institution of higher education may approve the curriculum or intervention materials if they determine that the curriculum or intervention materials are evidence-based, focused on structured literacy, culturally and linguistically responsive, and reflect diverse populations. The department must add the approved curriculum or intervention materials to the list of curricula and materials approved under the Read Act.

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

Sec. 17. Minnesota Statutes 2023 Supplement, section 120B.124, is amended by adding a subdivision to read:

Subd. 6. **Comprehensive review of literacy materials.** Starting in 2033, the department and an institution of higher education may partner to conduct a comprehensive review of curriculum

and intervention materials to identify literacy curriculum and supporting materials, and intervention materials that are evidence-based, focused on structured literacy, culturally and linguistically responsive, and reflect diverse populations. The department must revise the list of approved curriculum and supporting materials, and intervention materials based on the findings of the review.

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

Sec. 18. Minnesota Statutes 2023 Supplement, section 124D.42, subdivision 8, is amended to read:

Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps program is established to provide ServeMinnesota AmeriCorps members with a data-based problem-solving model of literacy instruction to use in helping to train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills, including evidence-based literacy instruction under sections 120B.1117 to 120B.124, to children age 3 to grade 3 and interventions for children in kindergarten to grade ~~12~~ 3.

(b) Literacy programs under this subdivision must comply with the provisions governing literacy program goals and data use under section 119A.50, subdivision 3, paragraph (b).

(c) Literacy programs under this subdivision must use evidence-based reading instruction and interventions focused on structured literacy. ServeMinnesota must demonstrate to the department that the training AmeriCorps members receive meets or exceeds the requirements of section 120B.124, subdivision 4, for volunteers. Minnesota Reading Corps AmeriCorps members are not required to complete the training under section 120B.24, subdivision 4.

~~(e)~~ (d) The commission must submit a biennial report to the committees of the legislature with jurisdiction over kindergarten through grade 12 education that records and evaluates program data to determine the efficacy of the programs under this subdivision.

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

Sec. 19. **PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD READING AUDIT REPORT.**

(a) The Professional Educator Licensing and Standards Board must conduct an audit that evaluates whether and how approved teacher training programs for candidates for the following licensure areas meet subject matter standards for reading:

- (1) early childhood education in accordance with Minnesota Rules, part 8710.3000;
- (2) elementary education in accordance with Minnesota Rules, part 8710.3200; and
- (3) special education in accordance with Minnesota Rules, part 8710.5000.

(b) The board must submit an initial report with its findings to the legislative committees with jurisdiction over kindergarten through grade 12 and higher education by January 15, 2025, and a final report by August 1, 2026. Each report must:



(1) identify the reading standards for each licensure area; identify how they are aligned to the requirements of the Read Act, including requirements on evidence-based instruction, phonemic awareness, phonics, vocabulary development, reading fluency, and reading comprehension; and identify how they are aligned to the requirements of Minnesota Statutes, section 122A.092, subdivision 5;

(2) describe how the board conducted the audit;

(3) identify the results of the audit; and

(4) summarize the program effectiveness reports for continuing approval related to reading standards reviewed by the board, including the board determinations under Minnesota Rules, part 8705.2200.

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

Sec. 20. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering. The revisor shall also make any technical and other changes necessitated by the renumbering and cross-reference changes in this act.

<u>Column A</u>	<u>Column B</u>
<u>120B.1117</u>	<u>120B.118</u>
<u>120B.1118</u>	<u>120B.119</u>

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

## ARTICLE 5

### SPECIAL EDUCATION

Section 1. Minnesota Statutes 2022, section 125A.02, subdivision 1a, as amended by Laws 2024, chapter 80, article 4, section 18, is amended to read:

Subd. 1a. **Children from birth through age seven six experiencing developmental delays.** In addition to subdivision 1, every child under age three; and, at local district discretion, every child from age three ~~to~~ through age ~~seven~~, six who needs special instruction and services, as determined by the rules of the commissioner of children, youth, and families for children ~~from birth through~~ under age two three and by the rules of the commissioner of education for children ages three through ~~seven six~~, because the child has a substantial delay or ~~has an identifiable~~ a diagnosed physical or mental condition ~~known to hinder normal development~~ with a high probability of resulting in developmental delay is a child with a disability.

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

Sec. 2. Minnesota Statutes 2023 Supplement, section 125A.08, is amended to read:

#### **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

**Subdivision 1. Individualized education programs.** (a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. Before a school district evaluation team makes a determination of other health disability under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation team must seek written documentation of the student's medically diagnosed chronic or acute health condition signed by a licensed physician or a licensed health care provider acting within the scope of the provider's practice. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior needs for children. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded. If the individualized education program meets the plan components in section 120B.125, the individualized education program satisfies the requirement and no additional transition plan is needed;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability

is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

**Subd. 2. Paraprofessionals.** ~~(e)~~ For all paraprofessionals employed to work in programs whose role in part is to provide direct support to students with disabilities, the school board in each district shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must develop sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs, especially disability-specific and behavioral needs, of the students with whom the paraprofessional works;

(2) within five days of beginning to work alone with an individual student with a disability, the assigned paraprofessional must be either given paid time, or time during the school day, to review a student's individualized education program or be briefed on the student's specific needs by appropriate staff;

(3) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; and

(4) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

**Subd. 3. Functional behavior assessment.** ~~(d)~~ A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

**Subd. 4. Developmental adapted physical education assessment.** A school district may conduct an assessment for developmental adapted physical education, as defined in Minnesota Rules, part 3525.1352, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

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

Sec. 3. Minnesota Statutes 2022, section 125A.27, subdivision 8, is amended to read:

Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for infant and toddler intervention services under section 125A.02 and Minnesota Rules, part 3525.1350.

Sec. 4. Minnesota Statutes 2022, section 125A.56, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Before a pupil in kindergarten through grade 12 is referred for a special education evaluation, the district must conduct and document at least two instructional strategies, alternatives, or interventions using a system of scientific, research-based instruction and intervention in academics or behavior, based on the pupil's needs, while the pupil is in the regular classroom. The pupil's teacher must document the results. A special education evaluation team may waive this requirement when it determines the pupil's need for the evaluation is urgent. This section may not be used to deny a pupil's right to a special education evaluation.

(b) A school district shall use alternative intervention services, including the assurance of mastery program under section 124D.66, or an early intervening services program under subdivision 2 to serve at-risk pupils who demonstrate a need for alternative instructional strategies or interventions.

(c) A student identified as being unable to read at grade level under section 120B.12, subdivision 2, paragraph (a), must be provided with alternate instruction under this subdivision that is multisensory, systematic, sequential, cumulative, and explicit.

Sec. 5. **SPECIAL EDUCATION LICENSURE RECIPROCITY WORKING GROUP.**

Subdivision 1. **Working group established.** The Professional Educator Licensing and Standards Board must establish a working group on special education licensure reciprocity.

Subd. 2. **Members.** (a) The board must consult with the organizations identified in paragraph (b) before naming appointed members to the working group.

(b) By July 1, 2024, the board must appoint the following members to the working group:

(1) the executive director of the board or the executive director's designee;

(2) one representative from the board;

(3) two representatives from Minnesota Administrators for Special Education, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;

(4) two representatives from the Minnesota Association of School Administrators, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;

(5) two representatives from the Minnesota School Boards Association, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;

(6) two representatives from Education Minnesota, consisting of one member from the seven-county metropolitan area and one member from outside the metropolitan area;

(7) four licensed special education teachers, consisting of two members from the seven-county metropolitan area and two members from outside the metropolitan area;

(8) two representatives from the Minnesota Association of Colleges for Teacher Education;

(9) two representatives from alternative teacher preparation programs; and

(10) one representative from the Minnesota Association of Charter Schools.

Subd. 3. **Duties.** The working group must meet on a regular basis and review current statutory and rule requirements for persons with a special education license from another state to qualify for a special education license in Minnesota, and make recommendations on statutory or rule changes necessary to streamline requirements for out-of-state applicants. The working group must submit its recommendations to the board for consideration for inclusion in the board's legislative priorities, and by February 1, 2025, must submit a report to the legislative committees with jurisdiction over kindergarten through grade 12 education.

Subd. 4. **Administrative provisions.** (a) The executive director of the board, or the director's designee, must convene the initial meeting of the working group. Upon request of the working group, the board must provide meeting space and administrative services for the group.

(b) Members of the working group serve without compensation or payment of expenses.

(c) The working group expires February 1, 2025, or upon submission of the report to the legislature required under subdivision 3, whichever is earlier.

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

## ARTICLE 6

### CHARTER SCHOOLS

Section 1. Minnesota Statutes 2022, section 124E.01, subdivision 1, is amended to read:

Subdivision 1. **Purposes.** (a) The primary purpose of mission-driven charter schools is to improve all-pupil the learning and all-student, achievement, and success of all students. Additional purposes include to The additional purposes of charter schools are to:

(1) increase quality learning opportunities for all pupils students;

(2) encourage the use of different and innovative teaching methods;

(3) measure learning outcomes and create different and innovative forms of measuring outcomes;

(4) establish new forms of accountability for schools; or

(5) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) A charter school must identify the purposes it will address in the charter contract and document the implementation of those purposes in the school's annual report. Documentation of the implementation of those purposes shall be a component of the authorizer's performance review of the school.

Sec. 2. Minnesota Statutes 2023 Supplement, section 124E.02, as amended by Laws 2024, chapter 85, section 22, is amended to read:

**124E.02 DEFINITIONS.**

(a) For purposes of this chapter, the terms defined in this section have the meanings given them.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.

(d) "Charter management organization" or "CMO" means ~~any~~ a nonprofit ~~or for-profit~~ entity or organization ~~that contracts with a charter school board of directors to provide, manage, or oversee~~ operates or manages a charter school or a network of charter schools or can control all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.

(e) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

(f) "Educational management organization" or "EMO" means a ~~nonprofit or for-profit~~ entity or organization ~~that provides, manages or oversees~~ operates or manages a charter school or a network of charter schools or can control all or substantially all of ~~the~~ a school's education program, or ~~the~~ a school's administrative, financial, business, or operational functions.

(g) "Immediate family member" means ~~an individual whose~~ any relationship by blood, marriage, adoption, or partnership ~~is no more remote than first cousin~~ of spouses, parents, grandparents, siblings, children, first cousins, aunts, uncles, grandchildren, nieces, and nephews.

(h) "Market need and demand study" means a study that includes the following for the proposed locations of the school or additional site:

- (1) current and projected demographic information;
- (2) student enrollment patterns;
- (3) information on existing schools and types of educational programs currently available;
- (4) characteristics of proposed students and families;
- (5) availability of properly zoned and classified facilities; and

(6) quantification of existing demand for the school or site.

(i) "Person" means an individual or entity of any kind.

(j) "Related party" means an affiliate or immediate family member of the other interested party, an affiliate of an immediate family member who is the other interested party, or an immediate family member of an affiliate who is the other interested party.

(k) For purposes of this chapter, the terms defined in section 120A.05 have the same meanings.

Sec. 3. Minnesota Statutes 2023 Supplement, section 124E.03, subdivision 2, is amended to read:

Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A charter school must comply with the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(d) A charter school is a district for the purposes of tort liability under chapter 466.

(e) A charter school must comply with the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(f) A charter school and charter school board of directors must comply with chapter 181 governing requirements for employment.

(g) A charter school must comply with continuing truant notification under section 260A.03.

(h) A charter school must develop and implement a teacher evaluation and peer review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d). The teacher evaluation process in this paragraph does not create any additional employment rights for teachers.

(i) A charter school must adopt a ~~policy~~, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce.

(j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56 and 121A.575, 121A.60, 121A.61, and 121A.65.

Sec. 4. Minnesota Statutes 2023 Supplement, section 124E.03, subdivision 9, is amended to read:

Subd. 9. **English learners.** (a) A charter school is subject to and must comply with the Education for English Learners Act under sections 124D.58 to 124D.64 as though the charter school were a district.

(b) A charter school must adopt and review a language access plan under section 123B.32 as though the charter school were a district.

Sec. 5. Minnesota Statutes 2022, section 124E.05, subdivision 2, is amended to read:

Subd. 2. **Roles, responsibilities, and requirements for of authorizers.** ~~The authorizer must participate in department-approved training.~~ (a) The role of an authorizer is to ensure that a school it authorizes has the autonomy granted by statute, fulfills the purposes of a charter school, and is accountable to the agreed upon terms of the charter school contract in order to safeguard quality educational opportunities for students and maintain public trust and confidence.

(b) An authorizer has the following responsibilities:

(1) to review applications for new schools, determine whether a new school is ready to open, review applications for grade and site expansions, review applications for change in authorizers, and determine whether to approve or deny an application based on the authorizer's approved criteria;

(2) to negotiate and execute the performance charter contracts with the schools it authorizes;

(3) to conduct ongoing monitoring, oversight, and evaluation of the school's academic, operational, and financial performance during the term of the charter contract;

(4) to evaluate the academic, operational, and financial performance of the school as defined in the charter contract prior to the end of the contract to determine the renewal, nonrenewal, or termination of the contract; and

(5) to comply with authorizer requirements in chapter 124E.

(c) An authorizer must document in the authorizer annual report under section 124E.16, subdivision 2, paragraph (b), the annual successful completion of training of its staff members during the previous year relative to chartering and an authorizer's role and responsibilities.

(d) An authorizer must participate in department-approved training.

Sec. 6. Minnesota Statutes 2022, section 124E.05, subdivision 3, is amended to read:

Subd. 3. **Application process.** (a) An eligible ~~authorizer~~ organization under this section must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must show the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this chapter. The commissioner must approve or disapprove the application within 45 business days of the deadline for that application period. If the commissioner disapproves the application, the commissioner must notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria to approve an authorizer, consistent with subdivision 4, must consider the applicant's:

(1) infrastructure and capacity to serve as an authorizer;



- (2) application criteria and process;
- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(b) A disapproved applicant under this section may resubmit an application during a future application period.

Sec. 7. Minnesota Statutes 2022, section 124E.05, subdivision 5, is amended to read:

Subd. 5. **Review by commissioner.** (a) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner, subject to paragraphs (b) and (c), and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school ~~operator~~ chief administrator, charter school board ~~member~~ of directors, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer and the schools authorized by the authorizer.

(b) Consistent with this subdivision, the commissioner must:

~~(1) use criteria appropriate to the authorizer and the schools it charters to review the authorizer's performance; and~~

~~(2) consult with authorizers, charter school operators, and other charter school stakeholders in developing review criteria under this paragraph.~~

~~(c) The commissioner's form must use existing department data on the authorizer to minimize duplicate reporting to the extent practicable. When reviewing an authorizer's performance under this subdivision, the commissioner must not:~~

~~(1) fail to credit;~~

~~(2) withhold points; or~~

~~(3) otherwise penalize an authorizer for failing to charter additional schools or for the absence of complaints against the authorizer's current portfolio of charter schools.~~

(1) develop the criteria and process of the performance review system in consultation with authorizers, school administrators, charter school boards of directors, and other charter school stakeholders;

(2) publish the authorizer performance review criteria and process at least 12 months before any change or process takes effect, except for changes required to take effect earlier in accordance with state or federal law or to make technical changes;

(3) evaluate the authorizer's performance on adherence and implementation of the authorizer's policies, procedures, and processes that are subject to section 124E.05, subdivision 2, paragraph (b);

(4) solicit feedback from the authorizer, charter school administrators, and charter school boards of directors; and

(5) use existing department data on the authorizer to minimize duplicate reporting to the extent practicable.

(c) Consistent with this subdivision the commissioner must not penalize in any way an authorizer for not chartering additional schools or for the absence of complaints against an authorizer or an authorizer's portfolio of schools.

Sec. 8. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 1, is amended to read:

Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an application from a charter school developer, may charter either a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under subdivision 4.

(b) "Application" under this section means the charter school business plan a charter school developer submits to an authorizer for approval to establish a charter school. This application must include:

(1) the proposed school's:

(i) mission and vision statements;

(ii) purposes and goals;

(iii) educational program design and how the program will improve student learning, success, and achievement;

(iv) plan to address the social and emotional learning needs of students and student support services;

(v) plan to provide special education management and services;

(vi) plan for staffing the school with appropriately qualified and licensed personnel;

(vii) financial plan;

(viii) governance and management structure and plan;

(ix) market need and demand study; and

(x) plan for ongoing outreach and dissemination of information about the school's offerings and enrollment procedure to families that reflect the diversity of Minnesota's population and targeted groups under section 124E.17, subdivision 1, paragraph (a);

(2) the school developer's experience and background, including criminal history and bankruptcy background checks; and

(3) any other information the authorizer requests; ~~and.~~

~~(4) a "statement of assurances" of legal compliance prescribed by the commissioner.~~

(c) An authorizer shall not approve an application submitted by a charter school developer under paragraph (a) if the application does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

Sec. 9. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 4, is amended to read:

Subd. 4. **Authorizer's affidavit; approval process.** (a) Before an operator may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of the year the new charter school plans to serve students. The affidavit must state:

~~(1) the terms and conditions under which the authorizer would charter a school, including a market need and demand study; and.~~

~~(2) how the authorizer intends to oversee:~~

~~(i) the fiscal and student performance of the charter school; and~~

~~(ii) compliance with the terms of the written contract between the authorizer and the charter school board of directors under section 124E.10, subdivision 1.~~

(b) The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. The commissioner must notify the authorizer of the commissioner's final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. An authorizer who fails to obtain the commissioner's approval is precluded from chartering the school that is the subject of this affidavit.

(c) The grades and number of primary enrollment sites in an approved affidavit may only be modified under subdivision 5.

Sec. 10. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 5, is amended to read:

Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to amend the school charter to add grades or primary enrollment sites beyond those defined in the original affidavit approved by the commissioner. After approving the school's application, the authorizer shall submit a supplemental affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplemental affidavit to the commissioner by October 1 to be eligible to add grades or sites in the next school year. The supplemental affidavit must document ~~to the authorizer's satisfaction:~~

~~(1) the need for the additional grades or sites with supporting long-range enrollment projections~~ for site expansion, a market need and demand study with long-range enrollment projections;

~~(2) a longitudinal record of student academic performance and growth on statewide assessments under chapter 120B or on other academic assessments that measure longitudinal student performance and growth approved by the charter school's board of directors and agreed upon with the authorizer~~ for grade expansion, the need for the additional grades with supporting long-range enrollment projections;

~~(3) a history of sound school finances and a plan to add grades or sites that sustains the school's finances~~ a longitudinal record of at least the three most recent years of student academic proficiency and growth on statewide assessments under chapter 120B or on other academic assessments that measure at least the three most recent years of longitudinal student proficiency and growth approved by the charter school's board of directors and agreed upon with the authorizer;

~~(4) board capacity to administer and manage the additional grades or sites~~ at least three years of sound school finances and a plan to add grades or sites that sustains the school's finances; and

~~(5) for site expansion, a market need and demand study~~ board capacity to administer and manage the additional grades or sites.

(b) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer in writing of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address any deficiencies in the supplemental affidavit to the commissioner's satisfaction. The commissioner must notify the authorizer of final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. The school may not add grades or sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Sec. 11. Minnesota Statutes 2022, section 124E.07, is amended to read:

#### **124E.07 BOARD OF DIRECTORS.**

Subdivision 1. **Initial board of directors.** Before entering into a contract or other agreement for professional or other services, goods, or facilities, the operators authorized to organize and operate a school must establish a board of directors composed of at least five members ~~who are not related parties.~~ The initial board members must not be related parties. The initial board continues to serve until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under subdivision 4. The initial board of directors and school developers must comply with the training requirements in subdivision 7 upon the incorporation of the school.

Subd. 2. **Ongoing board of directors.** ~~The ongoing board must be elected before the school completes its third year of operation.~~ The initial board must begin the transition to the ongoing board structure by the end of the first year of operation and complete the transition by the end of the second year of operation. The terms of board members shall begin on July 1. Terms shall be no less than two years. The bylaws shall set the number of terms an individual may serve on the board and as an officer of the board. Board elections must be held during the school year but may not be conducted on days when the school is closed.

Subd. 3. **Membership criteria.** (a) ~~The ongoing charter school board of directors shall have at least five nonrelated members and include:~~ The board members must not be related parties. The ongoing board must include: (1) at least one licensed teacher who is employed as a teacher at the school or provides instruction under contract between the charter school and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member who resides in Minnesota, is not employed by the charter school, and does not have a child enrolled in the school. A community member serving on the board must reside in Minnesota, must not have a child enrolled in the school, and must not be an employee of the charter school.

(b) To serve as a licensed teacher on a charter school board, an individual must:

(1) be employed by the school or provide at least 720 hours of service under a contract between the charter school and a teacher cooperative;

(2) be a qualified teacher as defined under section 122A.16, either serving as a teacher of record in a field in which the individual has a field license, or providing services to students the individual is licensed to provide; and

(3) not serve in an administrative or supervisory capacity for more than 240 hours in a school calendar year.

(c) The board structure must be defined in the bylaws. The board structure may include (1) be a majority of teachers under this paragraph or (b), (2) be a majority of parents or, (3) be a majority of community members, or it may (4) have no clear majority.

(d) The chief financial officer and the chief administrator may only serve as an ex-officio nonvoting board member. No charter school employees shall serve on the board other than teachers under clause (1) paragraph (b). Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school.

~~(b)~~ (e) A contractor providing facilities, goods, or services to a charter school must not serve on the board of directors. In addition, an individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.

~~(e)~~ (f) A violation of paragraph ~~(b)~~ (e) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph ~~(b)~~ (e) is individually liable to the charter school for any damage caused by the violation.

~~(d)~~ (g) Any employee, agent, contractor, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.

(h) An individual is prohibited from serving on more than one charter school board at the same time in either an elected or ex-officio capacity, except that an individual serving as an administrator serving more than one school under section 124E.12, subdivision 2, paragraph (f), may serve on each board as an ex-officio member.

Subd. 4. **Board structure.** Board bylaws shall outline the process and procedures for changing the board's governance structure, consistent with chapter 317A. A board may change its governance structure only:

(1) by a majority vote of the board of directors ~~and a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative; and~~

(2) by a majority vote of the licensed teachers employed by the school as teachers who provide instruction to students, including licensed teachers providing instruction under a contract between the school and a cooperative; and

~~(2)~~ (3) with the authorizer's approval.

Any change in board governance structure must conform with the board composition established under this section.

Subd. 5. ~~Eligible voters~~ **Board elections.** (a) Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors. ~~A charter school must notify eligible voters of the school board election dates at least 30 days before the election.~~

(b) The board of directors must establish and publish election policies and procedures on the school's website.

(c) The board of directors must notify eligible voters of the school board election dates and voting procedures at least 30 calendar days before the election and post this information on the school's website.

(d) The board of directors must notify eligible voters of the candidates' names, biographies, and candidate statements at least ten calendar days before the election and post this information on the school's website.

Subd. 6. **Duties.** (a) The board of directors also shall decide and is responsible for all decision making on policy matters related to operating the school, including budgeting, curriculum programming, personnel, and operating procedures. The board shall adopt a nepotism policy. The board shall must adopt personnel evaluation policies and practices that, at a minimum:

- (1) carry out the school's mission and goals;
- (2) evaluate how charter contract goals and commitments are executed;
- (3) evaluate student achievement, postsecondary and workforce readiness, and student engagement and connection goals;
- (4) establish a teacher evaluation process under section 124E.03, subdivision 2, paragraph (h); and
- (5) provide professional development related to the individual's job responsibilities.

(b) The board must adopt a nepotism policy that prohibits the employment of immediate family members of a board member, a school employee, or a teacher who provides instruction under a contract between the charter school and a cooperative. The board may waive this policy if: (1) the position is publicly posted for 20 business days; and (2) a two-thirds majority of the remaining board of directors who are not immediate family members of an applicant vote to approve the hiring. A board member, school employee, or teacher under contract with a cooperative must not be involved in an interview, selection process, hiring, supervision, or evaluation of an employee who is an immediate family member.

Subd. 7. **Training.** ~~Every charter school board member shall attend annual training throughout the member's term. All new board members shall attend initial training on the board's role and responsibilities, employment policies and practices, and financial management. A new board member who does not begin the required initial training within six months after being seated and complete that training within 12 months after being seated is automatically ineligible to continue to serve as a board member. The school shall include in its annual report the training each board member attended during the previous year.~~

(a) Every charter school board member and nonvoting ex-officio member who is a charter school director or chief administrator must attend board training.

(b) Prior to beginning their term, a new board member must complete training on a charter school board's role and responsibilities, open meeting law, and data practices law. An ex-officio member, who is a charter school director or chief administrator, must complete this training within three months of starting employment at the school.

(c) A new board member must complete training on employment policies and practices under chapter 181; public school funding and financial management; and the board's roles and responsibilities regarding student success, achievement, and performance within 12 months of being seated on the board or the individual is automatically ineligible to continue to serve as a board member. A board member who does not complete training within the 12-month period is ineligible to be elected or appointed to a charter school board for a period of 18 months.

(d) Every charter school board member must complete annual training throughout the member's term based on an annual assessment of the training needs of individual members and the full board. Ongoing training includes but is not limited to budgeting, financial management, recruiting and hiring a charter school director or chief administrator, evaluating a charter school director or chief administrator, governance-management relationships, student support services, student discipline, state standards, cultural diversity, succession planning, strategic planning, program oversight and evaluation, compensation systems, human resources policies, effective parent and community relationships, authorizer contract and relationships, charter school law, legal liability, board recruitment and elections, board meetings and operations, policy development and review, and school health and safety.

(e) The organization or person providing training under paragraphs (b), (c), and (d) must certify the individual's completion of the training provided.

(f) The charter school is responsible for covering the costs related to board training. The charter school must include in its annual report the training each board member completed during the previous year.

(g) The board must ensure that an annual assessment of the board's performance is conducted and the results are reported in the school's annual report.

Subd. 8. **Meetings and information.** (a) Board of director meetings must comply with chapter 13D governing open meetings.

(b) A charter school shall publish and maintain on the school's official website: (1) the meeting minutes of the board of directors and of members and committees having board-delegated authority, within 30 days following the earlier of the date of board approval or the next regularly scheduled meeting, and for at least 365 days from the date of publication; (2) directory information for the board of directors and for the members of committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer.

(c) A charter school must include identifying and contact information for the school's authorizer in other school materials it makes available to the public.

Sec. 12. Minnesota Statutes 2022, section 124E.10, subdivision 2, is amended to read:

Subd. 2. **Limits on charter school agreements.** (a) A school must disclose to the commissioner any potential contract, lease, or purchase of service from ~~an~~ the school's authorizer or a current board member, employee, contractor, volunteer, or agent of the school's authorizer. The contract, lease, or purchase must be accepted through an open bidding process and be separate from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services to a school it authorizes, unless the school documents receiving at least two competitive bids. This paragraph does not apply to a charter school or an authorizer when contracting for legal services from a lawyer that provides professional services to the charter school or authorizer and who is subject to the Minnesota Rules of Professional Conduct.

(b) An authorizer must not condition granting or renewing a charter on:



(1) the charter school being required to contract, lease, or purchase services from the authorizer;  
or

(2) the bargaining unit status of school employees.

Sec. 13. Minnesota Statutes 2022, section 124E.10, subdivision 4, is amended to read:

Subd. 4. **Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 1, paragraph (a). The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 business days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and describe the informal hearing process, consistent with this paragraph. The charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days after receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for an informal hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The hearing must be recorded by audio recording, video recording, or a court reporter. The authorizer must preserve the recording for three years and make the recording available to the public. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

(b) An authorizer may terminate or not renew a contract upon any of the following grounds:

(1) failure to demonstrate satisfactory academic achievement for all students, including the requirements for pupil performance contained in the contract;

(2) failure to meet generally accepted standards of fiscal management;

(3) violations of law; or

(4) other good cause shown.

If the authorizer terminates or does not renew a contract under this paragraph, the school must be dissolved according to the applicable provisions of chapter 317A.

(c) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

(1) failure to meet pupil performance requirements, consistent with state law;

(2) financial mismanagement or failure to meet generally accepted standards of fiscal management; or

(3) repeated or major violations of the law.

Sec. 14. Minnesota Statutes 2022, section 124E.10, subdivision 5, is amended to read:

Subd. 5. **Mutual nonrenewal.** If the authorizer and the ~~charter school~~ board of directors of a charter school serving enrolled students mutually agree not to renew the contract, or if the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under subdivision 4, a change in authorizers is allowed. The authorizer and the school board must jointly submit a written and signed letter of their intent to the commissioner to mutually not renew the contract. The authorizer that is a party to the existing contract must inform the proposed authorizer about the fiscal, operational, and student performance status of the school, including unmet contract outcomes and other outstanding contractual obligations. The charter contract between the proposed authorizer and the school must identify and provide a plan to address any outstanding obligations from the previous contract. The proposed authorizer must submit the proposed contract at least 105 business days before the end of the existing charter contract. The commissioner has 30 business days to review and make a determination on the change in authorizer. The proposed authorizer and the school have 15 business days to respond to the determination and address any issues identified by the commissioner. The commissioner must make a final determination no later than 45 business days before the end of the current charter contract. If the commissioner does not approve a change in authorizer, the school and the current authorizer may withdraw their letter of nonrenewal and enter into a new contract. If the commissioner does not approve a change in authorizer and the current authorizer and the school do not withdraw their letter and enter into a new contract, the school must be dissolved according to applicable law and the terms of the contract.

Sec. 15. Minnesota Statutes 2023 Supplement, section 124E.11, is amended to read:

#### **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

(a) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

(1) pupils within an age group or grade level;

(2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations.

(b) A charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), must enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish, including on its website, a lottery policy and process that it must use when accepting pupils by lot.

(c) Admission to a charter school must be free to any eligible pupil who resides within the state. A charter school must give enrollment preference to a Minnesota resident pupil over pupils that do not reside in Minnesota. A charter school must require a pupil who does not reside in Minnesota to annually apply to enroll in accordance with paragraphs (a) to (f). A charter school must give

enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot. A staff member eligible for an enrollment preference for their child, including a foster child, must be an individual employed at the school whose employment is stipulated in advance to total at least 480 hours in a school calendar year. A charter school that is located in Duluth township in St. Louis County and admits students in kindergarten through grade 6 must give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children.

(d) A person may not be admitted to a charter school: (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its website a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraphs (d) and (i), a charter school, including its preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this section.

(f) The charter school or any agent of the school must not distribute any services or goods, payments, or other incentives of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

(g) Once a student who resides in Minnesota is enrolled in the school in kindergarten through grade 12, or in the school's free preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (b), the student is considered enrolled in the school until the student formally withdraws, the school receives a request for the transfer of educational records from another school, the school receives a written election by the parent or legal guardian of the student withdrawing the student, or the student is expelled under the Pupil Fair Dismissal Act in sections 121A.40 to 121A.56.

(h) A charter school with at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf or hard-of-hearing may enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1, paragraph (a), and must comply with the federal Individuals with Disabilities Education Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause (iv).

(i) A charter school serving at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf, deafblind, or hard-of-hearing may give enrollment preference to students who are eligible for special education services and have a primary disability of deaf, deafblind, or hard-of-hearing. The charter school may not limit admission based on the student's eligibility for additional special education services.

Sec. 16. Minnesota Statutes 2023 Supplement, section 124E.12, subdivision 1, is amended to read:

Subdivision 1. **Teachers.** A charter school, excluding its preschool or prekindergarten program established under section 124E.06, subdivision 3, must employ or contract with necessary teachers, as defined by section 122A.06, subdivision 2, or contract with a cooperative formed under chapter 308A to provide necessary teachers, who hold valid licenses to perform the particular service for which they are employed in the school. A charter school may not contract with a CMO or EMO to provide necessary teachers. A charter school's preschool or prekindergarten program must employ or contract with teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction established under section 124E.06, subdivision 3. The commissioner may reduce the charter school's state aid under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the Professional Educator Licensing and Standards Board. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932 governing whistle-blowers. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

Sec. 17. Minnesota Statutes 2022, section 124E.12, subdivision 2, is amended to read:

Subd. 2. **Administrators.** ~~(a) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for all persons who hold administrative, supervisory, or instructional leadership roles. The qualifications shall cover at least: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles.~~

~~(b) The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. The school's annual report must include public personnel information documenting the professional development plan.~~

(a) A charter school board of directors must establish qualifications for all persons who hold administrative, academic supervision, or instructional leadership positions. The qualifications must include a requirement that a person hold a minimum of a four-year degree from an accredited institution or equivalent experience. Other qualifications for these positions shall include, as appropriate for the specific position: instruction and assessment, curriculum design, human resource and personnel management, professional ethics, child development, financial management, legal and compliance management, special education oversight, contract management, effective communication, cultural competency, board and authorizer relationships, parent relationships, and community partnerships. A charter school board of directors must use those qualifications as the basis for the job description, hiring process, and performance evaluation of the charter school director or chief administrator. The charter school director or chief administrator must use those qualifications as the basis for the job descriptions, hiring, and performance reviews for the administrative staff, academic program supervisors, and instructional leaders who report to the charter school director or chief administrator.

(b) A person who does not hold a valid administrator's license may perform administrative, academic supervision, or instructional leadership duties. A person without a valid administrator's license serving as a charter school director or chief administrator must complete a minimum of 25 hours annually of competency-based training corresponding to the individual's annual professional development needs and plan approved by the charter school board of directors. Training includes but is not limited to: instruction and curriculum; state standards; teacher and staff hiring, development, support, and evaluation; social-emotional learning; data collection and usage; assessment methodologies; use of technology for learning and management; charter school law and requirements; code of professional ethics; financial management and state accounting requirements; grant management; legal and compliance management; special education management; health and safety laws; restorative justice; cultural competencies; effective communication; parent relationships; board and management relationships; community partnerships; charter contract and authorizer relationships; and public accountability.

(c) A person serving as a charter school director or chief administrator with a valid administrator's license must complete a minimum of ten hours of competency-based training during the first year of employment on the following: charter school law and requirements, board and management relationships, and charter contract and authorizer relationships.

(d) The training a person must complete under paragraphs (b) and (c) may not be self-instructional. The organization or instructor providing the training must certify completion of the training. The person must submit the certification of completion of training to the charter school board of directors and certifications must be maintained in the personnel file. Completing required training must be a component of annual performance evaluations.

(e) All professional development training completed by the charter school director or chief administrator in the previous academic year must be documented in the charter school's annual report.

(f) No charter school administrator may serve as a paid administrator or consultant with another charter school without the knowledge and a two-thirds vote of approval of the boards of directors of the charter schools involved in such an arrangement. The boards of directors involved in such arrangements must send notice of this arrangement to authorizers upon approval by the boards.

(g) No charter school administrator may serve on the board of directors of another charter school, except that an individual serving as an administrator serving more than one school under paragraph (f) may serve on each board as an ex-officio member.

Sec. 18. Minnesota Statutes 2022, section 124E.14, as amended by Laws 2024, chapter 85, section 24, is amended to read:

#### **124E.14 CONFLICTS OF INTEREST.**

(a) No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

(1) the board member, employee, officer, or agent;

- (2) the immediate family member of the board member, employee, officer, or agent;
- (3) the partner of the board member, employee, officer, or agent; or
- (4) an organization that employs, or is about to employ any individual in clauses (1) to (3),

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

(b) The conflict of interest provisions under this section do not apply to compensation paid to a teacher employed as a teacher by the charter school or a teacher who provides instructional services to the charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

(c) A charter school board member, employee, or officer is a local official for purposes of section 471.895 with regard to receipt of gifts as defined under section 10A.071, subdivision 1, paragraph (b). A board member, employee, or officer must not receive compensation from a group health insurance provider.

(d) No charter school employee or board member may serve on the board or decision-making committee of the school's authorizer. An employee or school board member must disclose to the school's board of directors any paid compensation they receive from the school's authorizer.

Sec. 19. Minnesota Statutes 2023 Supplement, section 124E.16, subdivision 1, is amended to read:

Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under this subdivision. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing auditing procedures. ~~A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing municipal contracting.~~ The audit must comply with the requirements of sections 123B.75 to 123B.83 governing school district finance, except when the commissioner and authorizer approve a deviation made necessary because of school program finances. The commissioner, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(b) The charter school must submit an audit report to the commissioner and its authorizer annually by December 31.

(c) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information: (1) a copy of a new management agreement or an amendment to a current agreement with a CMO or EMO signed during the audit year; and (2) a copy of a service agreement or contract with a company or individual totaling over five percent of the audited expenditures for the most recent audit year. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services.

(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Sec. 20. Minnesota Statutes 2022, section 124E.17, is amended to read:

#### **124E.17 DISSEMINATION OF INFORMATION.**

Subdivision 1. **Charter school information.** (a) Charter schools must disseminate information about ~~how to use the charter school offerings to targeted groups, among others. Targeted groups include low-income families and communities, students of color, and students who are at risk of academic failure;~~ the school's offerings and enrollment procedures to families that reflect the diversity of Minnesota's population and targeted groups. Targeted groups include low-income families and communities, students of color, students at risk of academic failure, and students underrepresented in the school's student body relative to Minnesota's population. The school must document its dissemination activities in the school's annual report. The school's dissemination activities must be a component of the authorizer's performance review of the school.

(b) Authorizers and the commissioner must disseminate information to the public on how to form and operate a charter school. Authorizers, operators, and the commissioner also may disseminate information to interested stakeholders about the successful best practices in teaching and learning demonstrated by charter schools.

Subd. 2. **Financial information.** (a) Upon request of an individual, the charter school must make available in a timely fashion financial statements showing all operations and transactions affecting the school's income, surplus, and deficit during the last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. ~~A charter school also must include that same information about its authorizer in other school materials that it makes available to the public.~~

(b) Upon request of an individual, an authorizer must make available in a timely fashion financial statements showing all operations and transactions affecting the authorizer's income, surplus, and deficit during the last annual accounting period, and a balance sheet summarizing assets and liabilities on the closing date of the accounting period.

Sec. 21. Minnesota Statutes 2022, section 124E.26, is amended to read:

#### **124E.26 USE OF STATE MONEY.**

Subdivision 1. **Purchasing buildings.** A charter school may not use state money to purchase land or buildings. The charter school may own land and buildings if obtained through nonstate sources.

Subd. 2. **Procurement policy required.** Prior to the expenditure of any state funds, a charter school must adopt a procurement policy consistent with subdivision 4.

Subd. 3. **All purchases.** All purchases using state funds must be made consistent with the procurement policy adopted under subdivision 2.

Subd. 4. **Required policy components.** A charter school procurement policy must at a minimum include:

(1) conflict of interest provisions consistent with section 124E.14;

(2) thresholds for purchases by employees without board approval;

(3) thresholds for purchases that require competitive bidding processes, except that a competitive bidding process must occur for any procurement estimated to exceed \$25,000; and

(4) a prohibition on breaking up a procurement into smaller components to avoid the thresholds established in clauses (2) and (3).

Subd. 5. **Reduction in aid.** If a charter school makes a purchase without a procurement policy adopted by the school's board or makes a purchase not in conformity with the school's procurement policy, the commissioner may reduce that charter school's state aid in an amount equal to the purchase.

Subd. 6. **Property, financial investments, and contracting.** A charter school is subject to and must comply with sections 15.054 and 118A.01 to 118A.06 governing government property and financial investments and sections 471.38, 471.391, 471.392, and 471.425 governing municipal contracting.

## ARTICLE 7

### NUTRITION AND LIBRARIES

Section 1. Minnesota Statutes 2023 Supplement, section 124D.111, subdivision 2a, is amended to read:

Subd. 2a. **Federal child and adult care food program and federal summer food service program; criteria and notice.** (a) The commissioner must post on the department's website eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal child and adult care food program and federal summer food service program. The posted criteria and information must inform interested nonprofit organizations about:

(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;

(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and

(3) any appeal or other recourse available to a disapproved applicant.



(b) The commissioner must evaluate financial eligibility as part of the application process. An organization applying to be a prospective ~~sponsor~~ nonprofit multisite sponsoring organization for the federal child and adult care food ~~care~~ program or the federal summer food service program must provide documentation of financial viability as an organization. Documentation must include:

(1) evidence that the organization has operated for at least one year and has filed at least one tax return;

(2) the most recent tax return submitted by the organization and corresponding forms and financial statements;

(3) a profit and loss statement and balance sheet or similar financial information; and

(4) evidence that at least ten percent of the organization's operating revenue comes from sources other than the United States Department of Agriculture child nutrition program and that the organization has additional funds or a performance bond available to cover at least one month of reimbursement claims.

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

**Sec. 2. [134.51] ACCESS TO LIBRARY MATERIALS AND RIGHTS PROTECTED.**

**Subdivision 1. Book banning prohibited.** A public library must not ban, remove, or otherwise restrict access to a book or other material based solely on its viewpoint or the messages, ideas, or opinions it conveys.

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

(b) "Public library" means:

(1) a library that provides free access to all residents of a city or county, receives at least half of its financial support from public funds, and is organized under the provisions of this chapter, except that a library under this clause does not include libraries such as law, medical, or other libraries organized to serve a special group of persons and not the general public;

(2) a library jointly operated by a city and a school district under section 134.195;

(3) a school district or charter school library or media center under section 124D.991, including libraries operated by an intermediate school district or cooperative unit under section 123A.24, subdivision 2; or

(4) a public higher education institution library.

(c) "Governing body" means a group of persons that oversee the operations, budget, policies, and other administrative responsibilities of a regional public library system under section 134.20, subdivision 2; a multicounty, multitype library system under section 134.351, subdivision 4; a combination library under section 134.195, subdivision 7; a school library under section 124D.991, including libraries operated by an intermediate school district or cooperative unit under section 123A.24, subdivision 2; or any other public library under section 134.001, subdivision 2.

Subd. 3. **Limitations.** (a) Nothing in this section limits a public library's authority to decline to purchase, lend, or shelve or to remove or restrict access to books or other materials legitimately based upon:

(1) practical reasons, including but not limited to shelf space limitations, rare or antiquarian status, damage, or obsolescence;

(2) legitimate pedagogical concerns, including but not limited to the appropriateness of potentially sensitive topics for the library's intended audience, the selection of books and materials for a curated collection, or the likelihood of causing a material and substantial disruption of the work and discipline of the school; or

(3) compliance with state or federal law.

(b) Nothing in this section impairs or limits the rights of a parent, guardian, or an adult student under section 120B.20.

Subd. 4. **Collection management.** A governing body of a public library or any other public body with personnel authority for a public library may not discriminate against or discipline an employee for complying with this section.

Subd. 5. **Library materials policy.** (a) A governing body of a public library must adopt a policy that establishes procedures for selection of, challenges to, and reconsideration of library materials in accordance with this section.

(b) The policy must not impair or limit the rights of a parent, guardian, or adult student under section 120B.20.

(c) The policy must establish that the procedures for selection and reconsideration will be administered by:

(1) a licensed library media specialist under Minnesota Rules, part 8710.4550;

(2) an individual with a master's degree in library science or library and information science;  
or

(3) a professional librarian or a person trained in library collection management.

(d) Upon the completion of a content challenge or reconsideration process in accordance with the governing body's adopted policy, the governing body must submit a report of the challenge to the commissioner of education that includes:

(1) the title, author, and other relevant identifying information about the material being challenged;

(2) the date, time, and location of any public hearing held on the challenge in question, including minutes or transcripts;

(3) the result of the challenge or reconsideration request; and

(4) accurate and timely information on who from the governing body the Department of Education may contact with questions or follow-up.

Sec. 3. **METROPOLITAN LIBRARY SERVICE AGENCY.**

(a) Notwithstanding Minnesota Rules, part 3530.1000, item A, between April 1, 2024, and June 30, 2027, the Metropolitan Library Service Agency may employ an executive director who has not received a master's degree in library science if the job posting for the position listed a master's degree in library science as a preferred qualification.

(b) The Metropolitan Library Service Agency may not terminate an executive director who begins employment between April 1, 2024, and June 30, 2027, on the sole basis that the executive director has not received a master's degree in library science.

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

## ARTICLE 8

### HEALTH AND SAFETY

Section 1. Minnesota Statutes 2022, section 120A.22, subdivision 12, is amended to read:

Subd. 12. **Legitimate exemptions.** (a) A parent, guardian, or other person having control of a child may apply to a school district to have the child excused from attendance for the whole or any part of the time school is in session during any school year. Application may be made to any member of the board, a truant officer, a principal, or the superintendent. The school district may state in its school attendance policy that it may ask the student's parent or legal guardian to verify in writing the reason for the child's absence from school. A note from a physician or a licensed mental health professional stating that the child cannot attend school is a valid excuse. The board of the district in which the child resides may approve the application upon the following being demonstrated to the satisfaction of that board:

(1) that the child's physical or mental health is such as to prevent attendance at school or application to study for the period required, which includes:

(i) child illness, medical, dental, orthodontic, or counseling appointments, including appointments conducted through telehealth;

(ii) family emergencies;

(iii) the death or serious illness or funeral of an immediate family member;

(iv) active duty in any military branch of the United States;

(v) the child has a condition that requires ongoing treatment for a mental health diagnosis; or

(vi) other exemptions included in the district's school attendance policy;

(2) that the child has already completed state and district standards required for graduation from high school; or

(3) that it is the wish of the parent, guardian, or other person having control of the child; that the child attend, for a period or periods not exceeding in the aggregate three hours in any week, instruction conducted by a Tribal spiritual or cultural advisor, or a school for religious instruction conducted and maintained by ~~some~~ a church, or association of churches, or any Sunday school association incorporated under the laws of this state, or any auxiliary thereof. This ~~school for religious~~ instruction must be conducted and maintained in a place other than a public school building, and it must not, in whole or in part, be conducted and maintained at public expense. ~~However,~~ A child may be absent from school on ~~such days as~~ that the child attends upon instruction according to the ordinances of some church ~~this clause.~~

(b) Notwithstanding subdivision 6, paragraph (a), a parent may withdraw a child from an all-day, every day kindergarten program and put their child in a half-day program, if offered, or an alternate-day program without being truant. A school board must excuse a kindergarten child from a part of a school day at the request of the child's parent.

**EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

Sec. 2. Minnesota Statutes 2022, section 120B.21, is amended to read:

**120B.21 MENTAL HEALTH EDUCATION.**

(a) School districts and charter schools are encouraged to provide mental health instruction for students in grades 4 through 12 aligned with local health standards and integrated into existing programs, curriculum, or the general school environment of a district or charter school. The commissioner, in consultation with the commissioner of human services, commissioner of health, and mental health organizations, must, by July 1, 2020, and July 1 of each even-numbered year thereafter, provide districts and charter schools with resources gathered by Minnesota mental health advocates, including:

(1) age-appropriate model learning activities for grades 4 through 12 that encompass the mental health components of the National Health Education Standards and the benchmarks developed by the department's quality teaching network in health and best practices in mental health education; and

(2) a directory of resources for planning and implementing age-appropriate mental health curriculum and instruction in grades 4 through 12 that includes resources on suicide and self-harm prevention. A district or charter school providing instruction or presentations on preventing suicide or self-harm must use either the resources provided by the commissioner or other evidence-based instruction.

**(b) Starting in the 2026-2027 school year, school districts and charter schools must provide mental health instruction in accordance with paragraph (a).**

Sec. 3. Minnesota Statutes 2023 Supplement, section 121A.20, subdivision 2, is amended to read:

Subd. 2. **Definition.** For purposes of this section, "health services specialist" means a professional registered nurse who:

- (1) is licensed as a public health nurse in Minnesota;
- (2) is licensed as a school nurse in Minnesota;
- (3) has a minimum of three years of experience in school nursing services or as a public health nurse serving schools; and
- (4) has experience in managing a districtwide health policy, ~~overseeing a budget, and supervising personnel; and.~~
- (5) ~~has a graduate degree in nursing, public health, education, or a related field.~~

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

**Sec. 4. [121A.216] ACCESS TO SPACE FOR MENTAL HEALTH CARE THROUGH TELEHEALTH.**

(a) Beginning October 1, 2024, to the extent space is available, a school district or charter school must provide an enrolled secondary school student with access during regular school hours, and to the extent staff is available, before or after the school day on days when students receive instruction at school, to space at the school site that a student may use to receive mental health care through telehealth from a student's licensed mental health provider. A secondary school must develop a plan with procedures to receive requests for access to the space.

(b) The space must provide a student privacy to receive mental health care.

(c) A student may use a school-issued device to receive mental health care through telehealth if such use is consistent with the district or school policy governing acceptable use of the school-issued device.

(d) A school may require a student requesting access to space under this section to submit to the school a signed and dated consent from the student's parent or guardian, or from the student if the student is age 16 or older, authorizing the student's licensed mental health provider to release information from the student's health record that is requested by the school to confirm the student is currently receiving mental health care from the provider. Such a consent is valid for the school year in which it is submitted.

**EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

Sec. 5. Minnesota Statutes 2022, section 121A.22, subdivision 2, is amended to read:

Subd. 2. **Exclusions.** In addition, this section does not apply to drugs or medicine that are:

- (1) purchased without a prescription;
- (2) used by a pupil who is 18 years old or older;
- (3) used in connection with services for which a minor may give effective consent, including section 144.343, subdivision 1, and any other law;

(4) used in situations in which, in the judgment of the school personnel, including a licensed nurse, who are present or available, the risk to the pupil's life or health is of such a nature that drugs or medicine should be given without delay;

(5) used off the school grounds;

(6) used in connection with athletics or extra curricular activities;

(7) used in connection with activities that occur before or after the regular school day;

(8) provided or administered by a public health agency to prevent or control an illness or a disease outbreak as provided for in sections 144.05 and 144.12;

(9) prescription asthma or reactive airway disease medications self-administered by a pupil with an asthma inhaler, consistent with section 121A.221, if the district has received a written authorization from the pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly labeled for that student, and the parent has not requested school personnel to administer the medication to the pupil. The parent must submit written authorization for the pupil to self-administer the medication each school year; or

(10) epinephrine auto-injectors, consistent with section 121A.2205, if the parent and prescribing medical professional annually inform the pupil's school in writing that (i) the pupil may possess the epinephrine or (ii) the pupil is unable to possess the epinephrine and requires immediate access to epinephrine auto-injectors that the parent provides properly labeled to the school for the pupil as needed.

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

Sec. 6. Minnesota Statutes 2022, section 121A.22, subdivision 4, is amended to read:

Subd. 4. **Administration.** Drugs and medicine subject to this section must be administered in a manner consistent with instructions on the label. Drugs and medicine subject to this section must be administered, to the extent possible, according to school board procedures that must be developed in consultation:

(1) with a ~~school~~ licensed nurse, in a district that employs a ~~school~~ licensed nurse under section 148.171;

(2) with a licensed school nurse, in a district that employs a licensed school nurse licensed under Minnesota Rules, part 8710.6100;

(3) with a public or private health or health-related organization, in a district that contracts with a public or private health or health-related organization, according to section 121A.21; or

(4) with the appropriate party, in a district that has an arrangement approved by the commissioner of education, according to section 121A.21.

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

Sec. 7. Minnesota Statutes 2022, section 121A.2207, subdivision 1, is amended to read:

Subdivision 1. **Districts and schools permitted to maintain supply.** (a) Notwithstanding section 151.37, districts and schools may obtain and possess epinephrine auto-injectors to be maintained and administered by school personnel, including a licensed nurse, to a student or other individual if, in good faith, it is determined that person is experiencing anaphylaxis regardless of whether the student or other individual has a prescription for an epinephrine auto-injector. The administration of an epinephrine auto-injector in accordance with this section is not the practice of medicine.

(b) Registered nurses may administer epinephrine auto-injectors in a school setting according to a condition-specific protocol as authorized under section 148.235, subdivision 8. Notwithstanding any limitation in sections 148.171 to 148.285, licensed practical nurses may administer epinephrine auto-injectors in a school setting according to a condition-specific protocol that does not reference a specific patient and that specifies the circumstances under which the epinephrine auto-injector is to be administered, when caring for a patient whose condition falls within the protocol.

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

Sec. 8. Minnesota Statutes 2022, section 121A.41, subdivision 8, is amended to read:

Subd. 8. **School.** "School" means any school defined in section 120A.05, subdivisions 9, 11, 13, and 17. "School" also means a charter school.

Sec. 9. **[121A.612] UNSCHEDULED STUDENT REMOVAL FROM CLASS; SCHOOL POLICY.**

(a) A public school is encouraged to adopt a school policy on parental notification for unscheduled student removal from class. The public school must consult with child abuse prevention experts to incorporate best practices into the school policy. A public school with a policy on parental notification must include the policy in the employee handbook and disseminate information to school staff regarding child abuse prevention in a school setting.

(b) A nonpublic school under section 123B.41, subdivision 9, or a Tribal contract school is encouraged to adopt a policy consistent with this section.

**EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

Sec. 10. Minnesota Statutes 2022, section 128C.02, is amended by adding a subdivision to read:

Subd. 3c. **Eating disorder awareness.** The league must provide school coaches with eating disorder prevention education resources developed specifically for school coaches about the nature and risks of eating disorders, including the risk factors, mitigation strategies, effects, and risks of undiagnosed and untreated eating disorders, consistent with current medical research.

Sec. 11. Minnesota Statutes 2022, section 260E.14, subdivision 1, as amended by Laws 2024, chapter 80, article 8, section 34, is amended to read:

Subdivision 1. **Facilities and schools.** (a) The local welfare agency is the agency responsible for investigating allegations of maltreatment in child foster care, family child care, legally nonlicensed child care, and reports involving children served by an unlicensed personal care provider organization

under section 256B.0659. Copies of findings related to personal care provider organizations under section 256B.0659 must be forwarded to the Department of Human Services provider enrollment.

(b) The Department of Human Services is the agency responsible for screening and investigating allegations of maltreatment in juvenile correctional facilities listed under section 241.021 located in the local welfare agency's county and in facilities licensed or certified under chapters 245A and 245D.

(c) The Department of Health is the agency responsible for screening and investigating allegations of maltreatment in facilities licensed under sections 144.50 to 144.58 and 144A.43 to 144A.482 or chapter 144H.

(d) The Department of Education is the agency responsible for screening and investigating allegations of maltreatment in a school as defined in section 120A.05, subdivisions 9, 11, and 13, and chapter 124E. The Department of Education's responsibility to screen and investigate includes allegations of maltreatment involving students 18 ~~to~~ through 21 years of age, including students receiving special education services, up to and including graduation and the issuance of a secondary or high school diploma.

(e) A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to this section and sections 260E.20 and 260E.22.

(f) The Department of Children, Youth, and Families is the agency responsible for screening and investigating allegations of maltreatment in facilities or programs not listed in paragraph (a) that are licensed or certified under chapters 142B and 142C.

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

## ARTICLE 9

### EARLY LEARNING

Section 1. Minnesota Statutes 2022, section 120A.05, subdivision 10a, is amended to read:

Subd. 10a. **Kindergarten.** "Kindergarten" means a program designed for pupils five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter first grade the following school year. ~~A program designed for pupils younger than five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter kindergarten the following school year is a prekindergarten program.~~

Sec. 2. Minnesota Statutes 2022, section 120A.05, is amended by adding a subdivision to read:

Subd. 11a. **Prekindergarten.** "Prekindergarten" means a program designed for pupils younger than five years of age on September 1 of the calendar year in which the school year commences that prepares pupils to enter kindergarten the following school year.

Sec. 3. Minnesota Statutes 2022, section 124D.151, as amended by Laws 2023, chapter 55, article 9, section 19, and article 10, section 1, and Laws 2024, chapter 80, article 4, sections 12, 13, and 14, is amended to read:



**124D.151 VOLUNTARY PREKINDERGARTEN PROGRAM FOR ELIGIBLE FOUR-YEAR-OLD CHILDREN.**

Subdivision 1. **Establishment; purpose.** A district, a charter school, a group of districts, a group of charter schools, or a group of districts and charter schools may establish a voluntary prekindergarten program for eligible four-year-old children. The purpose of a voluntary prekindergarten program is to prepare support children and their families and prepare them for success as they enter in kindergarten in the following year and beyond.

Subd. 2. **Program requirements.** (a) A voluntary prekindergarten program provider must:

(1) provide instruction through play-based learning to foster children's social and emotional development, cognitive development, physical and motor development, and language and literacy skills, including the native language and literacy skills of English learners, to the extent practicable;

(2) ~~measure~~ assess each child's cognitive and social skills using a formative measure aligned to progress toward the state's early learning standards when the child enters and again before the child leaves the program, screening and progress monitoring measures, and other age-appropriate versions from the state-approved menu of kindergarten entry profile measures using a commissioner-approved formative, developmentally appropriate assessment and report results and demographic data to the department in a form and manner prescribed by the commissioner;

(3) provide comprehensive program content aligned with the state early learning standards, including the implementation of curriculum, assessment, and intentional instructional strategies aligned with the state early learning standards, and kindergarten that support transition to kindergarten through grade 3 academic standards;

(4) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least 350 hours of instruction per school year for a prekindergarten student;

(5) provide voluntary prekindergarten instructional staff salaries comparable to the salaries of local kindergarten through grade 12 instructional staff;

(6) coordinate appropriate kindergarten transition with families, ~~community-based~~ prekindergarten programs, offered by Head Start, licensed center and licensed family child care, community-based organizations, and school district kindergarten programs;

(7) involve parents in program ~~planning~~ decision-making and transition planning by implementing parent engagement strategies that include culturally and linguistically responsive activities in prekindergarten through third grade that are aligned with early childhood family education under section 124D.13;

(8) coordinate with relevant community-based services, including health and social service agencies, to ensure children have access to comprehensive services;

(9) coordinate with all relevant school district programs and services including early childhood special education, homeless students, and English learners;

(10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

(11) provide high-quality coordinated professional development, training, and coaching for ~~both staff in school district and community-based early learning districts and in prekindergarten programs offered by Head Start, licensed center and licensed family child care providers, and community-based organizations~~ that is informed by a measure of adult-child interactions and enables teachers to be highly knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and

(12) implement strategies that support the alignment of professional development, instruction, assessments, and prekindergarten through grade 3 curricula.

(b) A voluntary prekindergarten program must have teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction, and licensed according to section 122A.261.

~~(c) Districts and charter schools must include their strategy for implementing and measuring the impact of their voluntary prekindergarten program under section 120B.11 and provide results in their world's best workforce annual summary to the commissioner of education.~~

Subd. 3. **Mixed delivery of services program plan.** A district or charter school may contract with a charter school, Head Start ~~or child care centers, family child care programs licensed under section 245A.03~~ program, licensed center and licensed family child care, or a community-based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2. Components of a mixed-delivery plan include strategies for recruitment, contracting, and monitoring of fiscal compliance and program quality.

Subd. 4. **Eligibility.** ~~A~~ (a) An eligible child means a child who:

~~(1) is four years of age as of September 1 in the calendar year in which the school year commences is eligible to participate in a voluntary prekindergarten program free of charge. An eligible four-year-old child served in a mixed-delivery system by a child care center, family child care program licensed under section 245A.03, or community-based organization may be charged a fee as long as the mixed-delivery partner was not awarded a seat for that child; and~~

(2) meets at least one of the following criteria:

(i) qualifies for free or reduced-priced meals;

(ii) qualifies for the rate at application specified in section 119B.09, subdivision 1, paragraph (a), clause (2), in the current calendar year;

(iii) is an English language learner as defined by section 124D.59, subdivision 2;

(iv) is American Indian;

(v) has experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 1143a;

(vi) was identified as having a potential risk factor that may influence learning through health and developmental screening under sections 121A.16 to 121A.19;

(vii) is in foster care; is in kinship care, including children receiving Northstar kinship care assistance under chapter 256N; or is in need of child protection services;

(viii) has a parent who is a migrant or seasonal agricultural laborer under section 181.85;

(ix) has a parent who is incarcerated; or

(x) is defined as at-risk by the school district.

(b) School districts and charter schools must use state funding for eligible children to the extent it is available. A child may participate in a voluntary prekindergarten program on a fee-for-service basis if the child does not meet the eligibility criteria in paragraph (a) or state funding is not available. A school district or charter school must adopt a sliding-fee schedule based upon family income and must waive a fee for a participant unable to pay.

(c) Each eligible child must complete a health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

(d) A child with an individualized education program may not be excluded from participation in a program under this section if all other eligibility requirements are satisfied and the individualized education program team determines that with reasonable accommodations the child can fully participate and make progress toward their goals and objectives.

**Subd. 5. Application process; priority for high poverty schools.** (a) To qualify for program approval for fiscal year 2026, a district or charter school must submit an application to the commissioner by January 30, 2025. Thereafter, the commissioner must accept applications and approve programs every four years. To qualify for program approval after fiscal year 2026, a school district or charter school must submit an application to the commissioner by January 30 of the fiscal year prior to the fiscal year in which the program will be implemented. The application must include:

(1) a description of the proposed program, including the number of hours per week the program will be offered at each school site or mixed-delivery location;

(2) an estimate of the number of eligible children to be served in the program at each school site or mixed-delivery location; and

(3) a statement of assurances signed by the superintendent or charter school director that the proposed program meets the requirements of subdivision 2.

(b) The commissioner must review all applications by March 1 of the fiscal year in which the applications are received and determine whether each application meets the requirements of paragraph (a).

(c) The commissioner must divide all applications for new or expanded voluntary prekindergarten programs under this section meeting the requirements of paragraph (a) and school readiness plus programs into ~~four~~ five groups as follows: the Minneapolis ~~and~~ school district; the St. Paul school

~~districts~~ district; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

(1) concentration of kindergarten students eligible for free or reduced-price meals by school site on October 1 of the previous school year. A school site may contract to partner with a community-based provider or Head Start under subdivision 3 or establish an early childhood center and use the concentration of kindergarten students eligible for free or reduced-price meals from a specific school site as long as those eligible children are prioritized and guaranteed services at the mixed-delivery site or early education center. For school district programs to be operated at locations that do not have free and reduced-price meals concentration data for kindergarten programs for October 1 of the previous school year, including mixed-delivery programs, the school district average concentration of kindergarten students eligible for free or reduced-price meals must be used for the rank ordering;

(2) presence or absence of a three- or four-star Parent Aware rated program within the school district or close proximity of the district. School sites with the highest concentration of kindergarten students eligible for free or reduced-price meals that do not have a three- or four-star Parent Aware program within the district or close proximity of the district shall receive the highest priority, and school sites with the lowest concentration of kindergarten students eligible for free or reduced-price meals that have a three- or four-star Parent Aware rated program within the district or close proximity of the district shall receive the lowest priority; and

(3) whether the district has implemented a mixed delivery system.

~~(d) The limit on participation for the programs as specified in subdivision 6 must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the participation limit for fiscal years 2018 and 2019 must first be allocated to school sites approved for aid in the previous year to ensure that those sites are funded for the same number of participants as approved for the previous year. The remainder of the participation limit for each group must be allocated among school sites in priority order until that region's share of the participation limit is reached. If the participation limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis. For fiscal year 2020 and later, the participation limit must first be allocated to school sites approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings under paragraph (c).~~

~~(e) Once a school site or a mixed delivery site under subdivision 3 is approved for aid under this subdivision, it shall remain eligible for aid if it continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price meals.~~

~~(f) If the total number of participants approved based on applications submitted under paragraph (a) is less than the participation limit under subdivision 6, the commissioner must notify all school districts and charter schools of the amount that remains available within 30 days of the initial application deadline under paragraph (a), and complete a second round of allocations based on applications received within 60 days of the initial application deadline.~~

~~(g) Procedures for approving applications submitted under paragraph (f) shall be the same as specified in paragraphs (a) to (d), except that the allocations shall be made to the highest priority school sites not funded in the initial allocation on a statewide basis.~~

Subd. 5a. **Participation limit allocation.** (a) Beginning July 1, 2024, the participation limit specified in subdivision 6 must be initially allocated as follows:

(1) a school site or mixed delivery site must receive the same number of seats the site received in fiscal year 2024; and

(2) the remaining seats must be allocated among the five groups identified under subdivision 5, paragraph (c), based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous year.

(b) Within each group:

(1) the seats must be first allocated to any school sites and mixed delivery sites approved for aid in the previous year or allocation period; and

(2) any remaining seats must be allocated among school sites in priority order, as determined under subdivision 5, paragraph (c), until the group's share of seats are allocated.

(c) If a group's entire share of seats is not allocated under paragraphs (a) and (b), then the remaining seats must be allocated to the highest priority school sites and mixed delivery sites in the state, as designated under subdivision 5, paragraph (c), not funded in the allocation under paragraphs (a) and (b).

(d) Once a school site or a mixed delivery site is approved for aid under subdivision 5 and is allocated seats under this subdivision, it shall remain eligible for aid and seats if it continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price meals.

(e) If the total number of participants approved based on applications submitted under subdivision 5, paragraph (a), is less than the participation limit under subdivision 6, the commissioner must notify all school districts and charter schools of the amount that remains available within 30 days of the initial application deadline under subdivision 5, paragraph (a), and complete a second round of allocations based on applications received within 60 days of the initial application deadline.

(f) Procedures for approving applications submitted under paragraph (e) shall be the same as specified in subdivision 5, and the allocations shall be made to the highest priority school sites in the state as designated under subdivision 5, paragraph (c), not funded in the initial allocation under paragraphs (a) and (b).

(g) For nonapplication years, the commissioner must annually review the distribution of seat allocations and may redistribute them between sites within a district at their request and between districts for the year in which a district will not utilize their full allocation.

Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1, paragraph (c), the pupil units for a voluntary prekindergarten program for an eligible school district or charter

school must not exceed 60 percent of the kindergarten pupil units for that school district or charter school under section 126C.05, subdivision 1, paragraph (d).

(b) In reviewing applications under subdivision 5 and allocating seats under subdivision 5a, the commissioner must limit the total number of participants in the voluntary prekindergarten and school readiness plus programs under Laws 2017, First Special Session chapter 5, article 8, section 9, to not more than 7,160 participants for fiscal years 2023, 2024, and 2025, and 12,360 participants for fiscal year 2026 and later.

Subd. 7. **Financial accounting.** An eligible school district or charter school must record expenditures attributable to voluntary prekindergarten pupils according to guidelines prepared by the commissioner of education under section 127A.17.

Subd. 8. **Funding.** The commissioner and the commissioner of education shall enter into an agreement under which the commissioner of education shall distribute funds appropriated for programs under this section.

**EFFECTIVE DATE.** The amendments to subdivisions 1 to 4 and subdivision 5, paragraphs (a) and (b), are effective July 1, 2025. The amendments to subdivision 5, paragraphs (c) to (g), and subdivisions 5a and 6 are effective the day following final enactment.

Sec. 4. Minnesota Statutes 2023 Supplement, section 124D.165, subdivision 2, is amended to read:

Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship, parents or guardians must have an eligible child and meet at least one of the following requirements:

(1) have income equal to or less than:

(i) the at-application rate specified in section 119B.09, subdivision 1, paragraph (a), clause (2), in the current calendar year; or

(ii) beginning July 1, 2025, the rate specified in United States Code, title 42, section 9858n(4)(B), as adjusted for family size;

(2) be able to document their child's current participation in the free and reduced-price meals program or Child and Adult Care Food Program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or

(3) have or be a child referred as in need of child protection services or placed in foster care under section 260C.212.

(b) An "eligible child" means a child who has not yet enrolled in kindergarten and is not yet five years of age on September 1 of the current school year.

(c) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(d) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(e) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Sec. 5. Minnesota Statutes 2023 Supplement, section 124D.165, subdivision 2a, is amended to read:

Subd. 2a. **Applications; priorities.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meet the operational needs of eligible families and programs.

(b) The commissioner must give highest priority to applications from children who:

(1) are not yet four years of age;

(2) have a parent under age 21 who is pursuing a high school diploma or a course of study for a high school equivalency test;

(3) are in foster care;

(4) have been referred as in need of child protection services;

(5) have an incarcerated parent;

(6) are in or have a parent in a substance use treatment program;

(7) are in or have a parent in a mental health treatment program;

(8) have experienced domestic violence; ~~or~~

(9) have an individualized education program or individualized family service plan; or

~~(9)~~ (10) have experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 1143a.

(c) Notwithstanding paragraph (b), beginning July 1, 2025, the commissioner must give highest priority to applications from children in families with income equal to or less than the rate specified under subdivision 2, paragraph (a), clause (1), item (i), and within this group must prioritize children who meet one or more of the criteria listed in paragraph (b).

(d) The commissioner may prioritize applications on additional factors, including but not limited to availability of funding, family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

Sec. 6. **REVISOR INSTRUCTION.**

The revisor of statutes shall remove the terms "school readiness plus" or "school readiness plus programs" wherever they appear in Minnesota Statutes, chapters 119B, 121A, 122A, 124D, 126C, or 179A. The revisor shall also make necessary cross-reference changes, technical language, and other changes necessitated by the changes in this act.

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

Sec. 7. **REPEALER.**

Laws 2017, First Special Session chapter 5, article 8, section 9, is repealed.

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

## ARTICLE 10

### EDUCATION PARTNERSHIPS AND COMPACTS

Section 1. Minnesota Statutes 2022, section 127A.70, subdivision 1, is amended to read:

Subdivision 1. **Establishment; membership.** (a) A P-20 education partnership is established to create a seamless system of education that maximizes achievements of all students, from early childhood through elementary, secondary, and postsecondary education, while promoting the efficient use of financial and human resources. The partnership shall consist of major statewide educational groups or constituencies or noneducational statewide organizations with a stated interest in P-20 education. The initial membership of the partnership includes the members serving on the Minnesota P-16 Education Partnership and four legislators appointed as follows:

(1) one senator from the majority party and one senator from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(2) one member of the house of representatives appointed by the speaker of the house and one member appointed by the minority leader of the house of representatives.

(b) The chair of the P-16 education partnership must convene the first meeting of the P-20 partnership. Prospective members may be nominated by any partnership member and new members will be added with the approval of a two-thirds majority of the partnership. The partnership will also seek input from nonmember organizations whose expertise can help inform the partnership's work.

(c) Partnership members shall be represented by the chief executives, presidents, or other formally designated leaders of their respective organizations, or their designees. The partnership shall meet at least three times during each calendar year.



~~(d) The P-20 education partnership shall be the state council for the Interstate Compact on Educational Opportunity for Military Children under section 127A.85 with the commissioner or commissioner's designee serving as the compact commissioner responsible for the administration and management of the state's participation in the compact. When conducting business required under section 127A.85, the P-20 partnership shall include a representative from a military installation appointed by the adjutant general of the Minnesota National Guard.~~

Sec. 2. **[127A.82] MILITARY INTERSTATE CHILDREN'S COMPACT STATE COUNCIL.**

Subdivision 1. **Establishment; membership.** (a) A Military Interstate Children's Compact State Council is established to provide for the coordination among state agencies, local education agencies, and military installations concerning the state's participation in, and compliance with the Interstate Compact on Educational Opportunity for Military Children established in section 127A.85, otherwise known as the Military Interstate Children's Compact, and Interstate Commission activities.

(b) Council membership must include at least:

(1) the commissioner;

(2) a superintendent, appointed by the commissioner, of a school district or charter school with a high concentration of military children;

(3) a representative from a military installation appointed by the adjutant general;

(4) one member of the house of representatives appointed by the speaker of the house;

(5) one member of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(6) other offices and stakeholder groups the council deems appropriate.

If the commissioner determines there is not a school district deemed to contain a high concentration of military children, the commissioner may appoint a superintendent from another school district to represent local education agencies on the council.

(c) The council must appoint or designate a military family education liaison to assist military families and the state in facilitating the implementation of section 127A.85.

(d) The compact commissioner responsible for the administration and management of the state's participation in the compact must be appointed by the commissioner.

(e) The compact commissioner and the military family education liaison designated herein shall be ex officio members of the council, unless either is already a full voting member of the council.

Subd. 2. **Powers and duties; report.** (a) The council may develop recommendations to the governor and the legislature designed to facilitate successful educational transitions for children of military families under the compact.

(b) The commissioner must schedule and hold a meeting of the council no less than once per state fiscal year.

(c) The council must produce meeting agendas that are made publicly available before each meeting and maintain meeting minutes that are made publicly available once they are approved by the council.

(d) By January 15 of each odd-numbered year, the council shall submit a report to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over kindergarten through grade 12 education policy and finance and military affairs that summarizes the council's progress in meeting its goals and identifies the need for any draft legislation to facilitate successful educational transitions for children of military families.

**Sec. 3. [127A.83] INTRASTATE STUDENT TRANSFERS FOR CHILDREN OF MILITARY SERVICE MEMBERS.**

(a) Notwithstanding section 127A.85, article III, and for the purposes of intrastate student transfers between Minnesota local education agencies, the provisions of the Interstate Compact on Educational Opportunity for Military Children in section 127A.85 apply to minor dependent children of members of the active and activated reserve components of the uniformed services, including but not limited to members of the Minnesota Army National Guard and the Minnesota Air National Guard.

(b) This section does not apply to interstate transfers between Minnesota local education agencies and public or private schools in other states.

(c) For the purposes of this section, the words defined in section 127A.85, article II, have the same meanings.

**Sec. 4. [127A.86] PURPLE STAR SCHOOL DESIGNATION.**

Subdivision 1. **Definition.** For purposes of this section, "military-connected student" means a student who has an immediate family member, including a parent or sibling, who: (1) is currently a member of the armed forces serving as either a reservist or on active duty in the United States Army, Navy, Air Force, Marine Corps, or Coast Guard; (2) is currently serving in the National Guard; (3) has recently retired from the armed forces; or (4) is the dependent of a member of the armed forces who was killed in the line of duty.

Subd. 2. **Purple Star School.** (a) The commissioner of education may designate a school as a Purple Star School if the school:

(1) has a designated staff member serving as a military liaison whose duties include:

(i) identifying military-connected students enrolled at the school;

(ii) serving as the point of contact between the school and military-connected students and families;

(iii) determining appropriate school services available to military-connected students; and

- (iv) assisting in coordinating school programs relevant to military-connected students;
- (2) maintains easily accessible information on the school website that includes resources for military-connected students and families, including information regarding:
  - (i) student relocation, student enrollment, student registration, and transfer of school records;
  - (ii) academic planning, course offerings, and advanced classes available at the school;
  - (iii) counseling and other support services available for military-connected students enrolled at the school; and
  - (iv) the designated military liaison under clause (1);
- (3) offers a transition program led by students, where appropriate, that assists military-connected students in transitioning into the school;
- (4) offers professional development opportunities for staff members on issues related to military-connected students; and
- (5) offers at least one of the following:
  - (i) a resolution showing support for military-connected students and families;
  - (ii) recognition of the Month of the Military Child or Military Family Month with relevant events hosted by the school; or
  - (iii) a partnership with a local military installation that provides opportunities for active duty military members to volunteer at the school, speak at an assembly, or host a field trip.
- (b) The commissioner must establish a process for schools to seek Purple Star School designation by July 1, 2026. The commissioner may award Purple Star School designations starting in the 2026-2027 school year, and on an ongoing basis as schools meet qualifications for the designation."

Delete the title and insert:

"A bill for an act relating to education; modifying provisions for prekindergarten through grade 12 education including general education, education excellence, teachers, the Read Act, special education, charter schools, nutrition and libraries, health and safety, early learning, and education partnerships and compacts; requiring reports; amending Minnesota Statutes 2022, sections 120A.05, subdivision 10a, by adding a subdivision; 120A.22, subdivision 12; 120A.35; 120B.022, subdivisions 1a, 1b; 120B.11, as amended; 120B.13, subdivision 4; 120B.21; 121A.22, subdivisions 2, 4; 121A.2207, subdivision 1; 121A.41, subdivision 8; 122A.091, subdivision 5; 122A.092, by adding a subdivision; 122A.181, by adding a subdivision; 122A.182, by adding a subdivision; 122A.185, subdivision 3; 122A.20, by adding a subdivision; 122A.33, subdivision 2; 123B.37, subdivision 2; 124D.09, subdivisions 7, 10, 10b; 124D.12; 124D.151, as amended; 124D.60, subdivision 1; 124D.61; 124E.01, subdivision 1; 124E.05, subdivisions 2, 3, 5; 124E.07; 124E.10, subdivisions 2, 4, 5; 124E.12, subdivision 2; 124E.14, as amended; 124E.17; 124E.26; 125A.02, subdivision 1a, as amended; 125A.27, subdivision 8; 125A.56, subdivision 1; 127A.70, subdivision 1; 128C.02, by adding a subdivision; 260E.14, subdivision 1, as amended; Minnesota Statutes 2023 Supplement,

sections 13.32, subdivision 5; 120B.021, subdivision 1; 120B.024, subdivision 1; 120B.1117; 120B.1118, subdivisions 7, 10, by adding a subdivision; 120B.117, subdivision 4; 120B.12, subdivisions 1, 2, 2a, 3, 4, 4a; 120B.123, subdivisions 1, 2, 5, 7; 120B.124, subdivision 2, by adding subdivisions; 120B.125; 120B.30, subdivisions 7, 12, by adding a subdivision; 120B.302; 120B.305; 120B.31, subdivision 4; 120B.36, subdivision 1; 121A.041, subdivisions 2, 3; 121A.20, subdivision 2; 121A.642, by adding a subdivision; 122A.18, subdivision 1; 122A.181, subdivision 2; 122A.183, subdivision 2; 122A.184, subdivision 1; 122A.185, subdivision 1; 122A.40, subdivision 8; 122A.41, subdivision 5; 122A.631, subdivisions 2, 4; 122A.70, subdivision 2; 124D.09, subdivisions 5, 12; 124D.094, subdivisions 2, 3; 124D.111, subdivision 2a; 124D.165, subdivisions 2, 2a; 124D.42, subdivision 8; 124E.02, as amended; 124E.03, subdivisions 2, 9; 124E.06, subdivisions 1, 4, 5; 124E.11; 124E.12, subdivision 1; 124E.16, subdivision 1; 125A.08; 126C.40, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 121A; 122A; 123B; 127A; 134; repealing Minnesota Statutes 2022, sections 120B.31, subdivisions 2, 6; 122A.2451, subdivision 9; Minnesota Statutes 2023 Supplement, section 122A.185, subdivision 4; Laws 2017, First Special Session chapter 5, article 8, section 9."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Steve Cwodzinski, Erin Maye Quade, Jim Abeler

House Conferees: Laurie Pryor, Josiah Hill

Senator Cwodzinski moved that the foregoing recommendations and Conference Committee Report on S.F. No. 3567 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 3567 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 35 and nays 31, as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Anderson	Dornink	Eichorn	Housley	Kreun
Bahr	Draheim	Farnsworth	Howe	Lang
Coleman	Drazkowski	Green	Johnson	Lieske
Dahms	Duckworth	Gruenhagen	Koran	Limmer

Lucero  
Mathews  
Miller

Nelson  
Pratt  
Rarick

Rasmusson  
Utke  
Weber

Wesenberg  
Westrom

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 4399 and the Conference Committee Report thereon were reported to the Senate.

### **CONFERENCE COMMITTEE REPORT ON S.F. No. 4399**

A bill for an act relating to human services; modifying and establishing laws regarding disability services, aging services, and substance use disorder treatment services; modifying assisted living facility licensing standards; modernizing language in Deaf and Hard-of-Hearing Services Act; expanding application of bloodborne pathogen testing to nonsecure direct care and treatment programming; making technical corrections and repealing obsolete language; limiting rent increases in certain low-income rental projects receiving low-income housing tax credits; amending Minnesota Statutes 2022, sections 144A.20, subdivision 4; 144G.30, subdivision 5; 144G.45, subdivision 3; 148F.025, subdivision 2; 245A.11, subdivision 2; 245D.071, subdivisions 3, 4; 245D.081, subdivisions 2, 3; 245D.09, subdivision 3; 245D.091, subdivisions 3, 4; 245D.10, subdivision 1; 245F.02, subdivisions 17, 21; 245F.08, subdivision 3; 245F.15, subdivision 7; 245G.031, subdivision 2; 245G.04, by adding a subdivision; 245G.22, subdivision 6; 246.71, subdivisions 3, 4, 5; 246.711; 246.712, subdivisions 1, 2; 246.713; 246.714; 246.715, subdivisions 1, 2, 3; 246.716, subdivisions 1, 2, as amended; 246.717; 246.721, as amended; 246.722; 254A.03, subdivision 1; 256.975, subdivision 7e; 256B.0659, subdivision 17a; 256B.0759, subdivision 4; 256B.0911, subdivision 24; 256B.092, by adding a subdivision; 256B.49, by adding a subdivision; 256B.4905, subdivision 12; 256B.69, subdivision 5k, by adding a subdivision; 256B.85, subdivisions 2, 6, 6a, 7a, 11, 17, 20, by adding a subdivision; 256C.21; 256C.23, subdivisions 1a, 2, 2a, 2b, 2c, 6, 7, by adding a subdivision; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, 3; 256C.26; 256C.261; 256C.28, subdivision 1; 256R.08, subdivision 1, by adding a subdivision; 256S.205, subdivision 5, by adding a subdivision; 402A.16, subdivision 2; Minnesota Statutes 2023 Supplement, sections 245G.05, subdivision 3; 245G.09, subdivision 3; 245G.11, subdivision 10; 245G.22, subdivisions 2, 17; 254A.19, subdivision 3; 254B.04, subdivision 6, by adding a subdivision; 254B.05, subdivisions 1, 5; 254B.181, subdivision 1; 254B.19, subdivision 1; 256B.057, subdivision 9; 256B.0659, subdivision 24; 256B.0759, subdivision 2; 256B.4914, subdivisions 4, 10, 10a; 256B.85, subdivision 13a; Laws 2021, First Special Session chapter 7, article 11, section 38, as amended; article 13, section 75; Laws 2023, chapter 61, article 8, section 13, subdivision 2; repealing Minnesota Statutes 2022, sections 245G.011, subdivision 5; 245G.22, subdivisions 4, 7; 252.34; 256.01, subdivision 39; 256.975, subdivisions 7f, 7g; 256R.18.

May 3, 2024

The Honorable Bobby Joe Champion  
President of the Senate

The Honorable Melissa Hortman  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 4399 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 4399 be further amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### DISABILITY SERVICES

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

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

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

Sec. 2. Minnesota Statutes 2022, section 245A.11, subdivision 2, as amended by Laws 2024, chapter 85, section 55, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) any equipment and materials required; and

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

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

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

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



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

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

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

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

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

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

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

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

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

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

age 65 and older, or equivalent work experience providing care or education to vulnerable adults or children;

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

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

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

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

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

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

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

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

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

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

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

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

(b) The designated manager must be competent to perform the duties as required and must minimally meet the education and training requirements identified in subdivision 2, paragraph (b),

and have a minimum of three years of supervisory level experience in a program ~~providing direct support services to persons with disabilities or persons age 65 and older~~ that provides care or education to vulnerable adults or children.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) In addition, a behavior specialist must:

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

- (i) a minimum of four hours of training in functional assessment;
- (ii) 20 hours of instruction in the understanding of the function of behavior;
- (iii) ten hours of instruction on design of positive practices behavioral support strategies; and
- (iv) eight hours of instruction on principles of person-centered thinking;

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

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

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

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

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

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

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

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

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

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

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

(b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible for medical assistance under this subdivision, a person must have more than \$65 of earned income, be receiving an unemployment insurance benefit under chapter 268 that the person began receiving while eligible under this subdivision, or be receiving family and medical leave benefits under chapter 268B that the person began receiving while eligible under this subdivision. ~~Earned income must have Medicare,~~

~~Social Security, and applicable state and federal taxes withheld. The person must document earned income tax withholding. A person who is self-employed must file and pay all applicable taxes.~~ Any spousal income shall be disregarded for purposes of eligibility and premium determinations.

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

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

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

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

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

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

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

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

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

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

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

(f) Any required premium shall be determined at application and redetermined at the enrollee's ~~six-month~~ 12-month income review or when a change in income or household size is reported. Enrollees must report any change in income or household size within ~~ten~~ 30 days of when the change occurs. A decreased premium resulting from a reported change in income or household size shall be effective the first day of the next available billing month after the change is reported. Except for

changes occurring from annual cost-of-living increases, a change resulting in an increased premium shall not affect the premium amount until the next ~~six-month~~ 12-month review.

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

(h) Nonpayment of the premium shall result in denial or termination of medical assistance unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse for the enrollee's failure to pay the required premium when due because the circumstances were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall determine whether good cause exists based on the weight of the supporting evidence submitted by the enrollee to demonstrate good cause. Except when an installment agreement is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must pay any past due premiums as well as current premiums due prior to being reenrolled. Nonpayment shall include payment with a returned, refused, or dishonored instrument. The commissioner may require a guaranteed form of payment as the only means to replace a returned, refused, or dishonored instrument.

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

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

Sec. 12. Minnesota Statutes 2022, section 256B.0659, subdivision 17a, is amended to read:

Subd. 17a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a personal care assistant who meets the requirements of subdivision 11, paragraph (d).

(b) A personal care assistance provider must use all additional revenue attributable to the rate enhancements under this subdivision for the wages and wage-related costs of the personal care assistants, including any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. The agency must not use the additional revenue attributable to any enhanced rate under this subdivision to pay for mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or any other employee benefits.

(c) Any change in the eligibility criteria for the enhanced rate for personal care assistance services as described in this subdivision and referenced in subdivision 11, paragraph (d), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

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

Sec. 13. Minnesota Statutes 2023 Supplement, section 256B.0659, subdivision 24, is amended to read:

Subd. 24. **Personal care assistance provider agency; general duties.** A personal care assistance provider agency shall:

(1) enroll as a Medicaid provider meeting all provider standards, including completion of the required provider training;

(2) comply with general medical assistance coverage requirements;

(3) demonstrate compliance with law and policies of the personal care assistance program to be determined by the commissioner;

(4) comply with background study requirements;

(5) verify and keep records of hours worked by the personal care assistant and qualified professional;

(6) not engage in any agency-initiated direct contact or marketing in person, by phone, or other electronic means to potential recipients, guardians, or family members;

(7) pay the personal care assistant and qualified professional based on actual hours of services provided;

(8) withhold and pay all applicable federal and state taxes;

(9) document that the agency uses a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation;

(10) make the arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;

(11) enter into a written agreement under subdivision 20 before services are provided;

(12) report suspected neglect and abuse to the common entry point according to section 256B.0651;

(13) provide the recipient with a copy of the home care bill of rights at start of service;

(14) request reassessments at least 60 days prior to the end of the current authorization for personal care assistance services, on forms provided by the commissioner;

(15) comply with the labor market reporting requirements described in section 256B.4912, subdivision 1a;

(16) document that the agency uses the additional revenue due to the enhanced rate under subdivision 17a for the wages ~~and benefits~~ and any corresponding increase in the employer's share



of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums of the PCAs whose services meet the requirements under subdivision 11, paragraph (d); and

(17) ensure that a personal care assistant driving a recipient under subdivision 1, paragraph (i), has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

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

Sec. 14. Minnesota Statutes 2022, section 256B.0911, subdivision 24, is amended to read:

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

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

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

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

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

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

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

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

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

Sec. 15. Minnesota Statutes 2022, section 256B.092, is amended by adding a subdivision to read:

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

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

Sec. 16. Minnesota Statutes 2022, section 256B.49, is amended by adding a subdivision to read:

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

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

Sec. 17. Minnesota Statutes 2022, section 256B.4905, subdivision 12, is amended to read:

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

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

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

Sec. 18. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 4, is amended to read:

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

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

(c) Service providers, with information from the support plan and oversight by lead agencies, shall provide values and information needed to calculate an individual's rate in the rates management system. Lead agencies must use forms provided by the commissioner to collect this information. The determination of service levels must be part of a discussion with members of the support team

as defined in section 245D.02, subdivision 34. This discussion must occur prior to the final establishment of each individual's rate. The values and information include:

- (1) shared staffing hours;
  - (2) individual staffing hours;
  - (3) direct registered nurse hours;
  - (4) direct licensed practical nurse hours;
  - (5) staffing ratios;
  - (6) information to document variable levels of service qualification for variable levels of reimbursement in each framework;
  - (7) shared or individualized arrangements for unit-based services, including the staffing ratio;
  - (8) number of trips and miles for transportation services; and
  - (9) service hours provided through monitoring technology.
- (d) Updates to individual data must include:
- (1) data for each individual that is updated annually when renewing service plans; and
  - (2) requests by individuals or lead agencies to update a rate whenever there is a change in an individual's service needs, with accompanying documentation.
- (e) Lead agencies shall review and approve all services reflecting each individual's needs, and the values to calculate the final payment rate for services with variables under subdivisions 6 to 9 for each individual. Lead agencies must notify the individual and the service provider of the final agreed-upon values and rate, and provide information that is identical to what was entered into the rates management system. If a value used was mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead agencies to correct it. Lead agencies must respond to these requests. When responding to the request, the lead agency must consider:
- (1) meeting the health and welfare needs of the individual or individuals receiving services by service site, identified in their support plan under section 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;
  - (2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and (o); and meeting or exceeding the licensing standards for staffing required under section 245D.09, subdivision 1; and
  - (3) meeting the staffing ratio requirements under subdivision 2, paragraph (o), and meeting or exceeding the licensing standards for staffing required under section 245D.31.

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

Sec. 19. Minnesota Statutes 2022, section 256B.85, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) tube feedings requiring:

(i) a gastrojejunostomy tube; or

- (ii) continuous tube feeding lasting longer than 12 hours per day;
- (2) wounds described as:
  - (i) stage III or stage IV;
  - (ii) multiple wounds;
  - (iii) requiring sterile or clean dressing changes or a wound vac; or
  - (iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized care;
- (3) parenteral therapy described as:
  - (i) IV therapy more than two times per week lasting longer than four hours for each treatment;or
  - (ii) total parenteral nutrition (TPN) daily;
- (4) respiratory interventions, including:
  - (i) oxygen required more than eight hours per day;
  - (ii) respiratory vest more than one time per day;
  - (iii) bronchial drainage treatments more than two times per day;
  - (iv) sterile or clean suctioning more than six times per day;
  - (v) dependence on another to apply respiratory ventilation augmentation devices such as BiPAP and CPAP; and
  - (vi) ventilator dependence under section 256B.0651;
- (5) insertion and maintenance of catheter, including:
  - (i) sterile catheter changes more than one time per month;
  - (ii) clean intermittent catheterization, and including self-catheterization more than six times per day; or
  - (iii) bladder irrigations;
- (6) bowel program more than two times per week requiring more than 30 minutes to perform each time;
- (7) neurological intervention, including:
  - (i) seizures more than two times per week and requiring significant physical assistance to maintain safety; or

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

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

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

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

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

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

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

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

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

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

(o) "Instrumental activities of daily living" means activities related to living independently in the community, including but not limited to: meal planning, preparation, and cooking; shopping for food, clothing, or other essential items; laundry; housecleaning; assistance with medications;

managing finances; communicating needs and preferences during activities; arranging supports; and assistance with traveling around and participating in the community, including traveling to medical appointments. For purposes of this paragraph, traveling includes driving and accompanying the recipient in the recipient's chosen mode of transportation and according to the individual CFSS service delivery plan.

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

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

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

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

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

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

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

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

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

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

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

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

(y) "Support worker" means a qualified and trained employee of the agency-provider as required by subdivision 11b or of the participant employer under the budget model as required by subdivision

14 who has direct contact with the participant and provides services as specified within the participant's CFSS service delivery plan.

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

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

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

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

Sec. 20. Minnesota Statutes 2022, section 256B.85, subdivision 6, is amended to read:

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

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

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

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

(2) reflect the setting in which the participant resides that is chosen by the participant;

(3) reflect the participant's strengths and preferences;

(4) include the methods and supports used to address the needs as identified through an assessment of functional needs;

(5) include the participant's identified goals and desired outcomes;



(6) reflect the services and supports, paid and unpaid, that will assist the participant to achieve identified goals, including the costs of the services and supports, and the providers of those services and supports, including natural supports;

(7) identify the amount and frequency of face-to-face supports and amount and frequency of remote supports and technology that will be used;

(8) identify risk factors and measures in place to minimize them, including individualized backup plans;

(9) be understandable to the participant and the individuals providing support;

(10) identify the individual or entity responsible for monitoring the plan;

(11) be finalized and agreed to in writing by the participant and signed by individuals and providers responsible for its implementation;

(12) be distributed to the participant and other people involved in the plan;

(13) prevent the provision of unnecessary or inappropriate care;

(14) include a detailed budget for expenditures for budget model participants or participants under the agency-provider model if purchasing goods; and

(15) include a plan for worker training and development provided according to subdivision 18a detailing what service components will be used, when the service components will be used, how they will be provided, and how these service components relate to the participant's individual needs and CFSS support worker services.

(d) The CFSS service delivery plan must describe the units or dollar amount available to the participant. The total units of agency-provider services or the service budget amount for the budget model include both annual totals and a monthly average amount that cover the number of months of the service agreement. The amount used each month may vary, but additional funds must not be provided above the annual service authorization amount, determined according to subdivision 8, unless a change in condition is assessed and authorized by the certified assessor and documented in the support plan and CFSS service delivery plan.

(e) In assisting with the development or modification of the CFSS service delivery plan during the authorization time period, the consultation services provider shall:

(1) consult with the FMS provider on the spending budget when applicable; and

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

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

Sec. 21. Minnesota Statutes 2022, section 256B.85, subdivision 6a, is amended to read:

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

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

Sec. 22. Minnesota Statutes 2022, section 256B.85, subdivision 7a, is amended to read:

Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for CFSS must be paid for services provided to persons who qualify for ten or more hours of CFSS per day when provided by a support worker who meets the requirements of subdivision 16, paragraph (e).

(b) An agency provider must use all additional revenue attributable to the rate enhancements under this subdivision for the wages and wage-related costs of the support workers, including any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. The agency provider must not use the additional revenue attributable to any enhanced rate under this subdivision to pay for mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or any other employee benefits.

(c) Any change in the eligibility criteria for the enhanced rate for CFSS as described in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

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

Sec. 23. Minnesota Statutes 2022, section 256B.85, subdivision 11, is amended to read:

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

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

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

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

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

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

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

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

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

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

Sec. 24. Minnesota Statutes 2023 Supplement, section 256B.85, subdivision 13a, is amended to read:

Subd. 13a. **Financial management services.** (a) Services provided by an FMS provider include but are not limited to: filing and payment of federal and state payroll taxes and premiums on behalf of the participant; initiating and complying with background study requirements under chapter 245C and maintaining documentation of background study requests and results; billing for approved CFSS services with authorized funds; monitoring expenditures; accounting for and disbursing CFSS funds;

providing assistance in obtaining and filing for liability, workers' compensation, family and medical benefit insurance, and unemployment coverage; and providing participant instruction and technical assistance to the participant in fulfilling employer-related requirements in accordance with section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1.

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

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

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

(2) data recording and reporting of participant spending;

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

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

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

(e) The FMS provider shall:

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

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

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

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

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

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

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

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

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

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

(f) The commissioner shall:

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

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

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

Sec. 25. Minnesota Statutes 2022, section 256B.85, subdivision 17, is amended to read:

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

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

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

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

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

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

- ~~(6)~~ (5) maintaining documentation of the approved CFSS service delivery plan;
- ~~(7)~~ (6) distributing copies of the final CFSS service delivery plan to the participant and to the agency-provider or FMS provider, case manager or care coordinator, and other designated parties;
- ~~(8)~~ (7) assisting to fulfill responsibilities and requirements of CFSS, including modifying CFSS service delivery plans and changing service models;
- ~~(9)~~ (8) if requested, providing consultation on recruiting, selecting, training, managing, directing, supervising, and evaluating support workers;
- ~~(10)~~ (9) evaluating services upon receiving information from an FMS provider indicating spending or participant employer concerns;
- ~~(11)~~ (10) reviewing the use of and access to informal and community supports, goods, or resources;
- ~~(12)~~ (11) a semiannual review of services if the participant does not have a case manager or care coordinator and when the support worker is a paid parent of a minor participant or the participant's spouse;
- ~~(13)~~ (12) collecting and reporting of data as required by the department;
- ~~(14)~~ (13) providing the participant with a copy of the participant protections under subdivision 20 at the start of consultation services;
- ~~(15)~~ (14) providing assistance to resolve issues of noncompliance with the requirements of CFSS;
- ~~(16)~~ (15) providing recommendations to the commissioner for changes to services when support to participants to resolve issues of noncompliance have been unsuccessful; and
- ~~(17)~~ (16) other duties as assigned by the commissioner.

Sec. 26. Minnesota Statutes 2022, section 256B.85, is amended by adding a subdivision to read:

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

- (1) determines that remote worker training and development services are appropriate; and
- (2) documents the determination under clause (1) in a statement of need or other document that is subsequently included in the recipient's CFSS service delivery plan.

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

(c) Notwithstanding any other provision of law, a CFSS service delivery plan developed or amended via remote worker training and development services may be executed by electronic signature.

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

**EFFECTIVE DATE.** This section is effective upon community first services and supports implementation. The commissioner of human services shall notify the revisor of statutes upon CFSS implementation.

Sec. 27. Minnesota Statutes 2022, section 256B.85, subdivision 20, is amended to read:

Subd. 20. **Participant protections.** (a) All CFSS participants have the protections identified in this subdivision.

(b) Participants or participant's representatives must be provided with adequate information, counseling, training, and assistance, as needed, to ensure that the participant is able to choose and manage services, models, and budgets. This information must be provided by the consultation services provider at the time of the initial or annual orientation to CFSS, at the time of reassessment, or when requested by the participant or participant's representative. This information must explain:

(1) person-centered planning;

(2) the range and scope of participant choices, including the differences between the agency-provider model and the budget model, available CFSS providers, and other services available in the community to meet the participant's needs;

(3) the process for changing plans, services, and budgets;

(4) identifying and assessing appropriate services; and

(5) risks to and responsibilities of the participant under the budget model.

(c) The consultation services provider must ensure that the participant chooses freely between the agency-provider model and the budget model and among available agency-providers and that the participant may change agency-providers after services have begun.

(d) A participant who appeals a reduction in previously authorized CFSS services may continue previously authorized services pending an appeal in accordance with section 256.045.

(e) If the units of service or budget allocation for CFSS are reduced, denied, or terminated, the commissioner must provide notice of the reasons for the reduction in the participant's notice of denial, termination, or reduction.

(f) If all or part of a CFSS service delivery plan is denied approval by the ~~consultation services provider~~ lead agency, the ~~consultation services provider~~ lead agency must provide a notice that describes the basis of the denial.

Sec. 28. Laws 2021, First Special Session chapter 7, article 13, section 75, is amended to read:

**Sec. 75. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; WAIVER REIMAGINE AND INFORMED CHOICE STAKEHOLDER CONSULTATION.**

Subdivision 1. **Stakeholder consultation; generally.** (a) The commissioner of human services must consult with and seek input and assistance from stakeholders concerning potential adjustments to the streamlined service menu from waiver reimagine phase I and to the existing rate exemption criteria and process.

(b) The commissioner of human services must consult with ~~and~~ seek input and assistance from, and collaborate with stakeholders concerning the development and implementation of waiver reimagine phase II, including criteria and a process for individualized budget exemptions, and how waiver reimagine phase II can support and expand informed choice and informed decision making, including integrated employment, independent living, and self-direction, consistent with Minnesota Statutes, section 256B.4905.

(c) The commissioner of human services must consult with, seek input and assistance from, and collaborate with stakeholders concerning the implementation and revisions of the MnCHOICES 2.0 assessment tool.

Subd. 2. **Public stakeholder engagement.** The commissioner must offer a public method to regularly receive input and concerns from people with disabilities and their families about waiver reimagine phase II. The commissioner shall provide ~~regular quarterly~~ public updates on policy development and on how ~~recent stakeholder input was used throughout the~~ is being incorporated into the current development and implementation of waiver reimagine phase II.

Subd. 3. **Waiver Reimagine Advisory Committee.** (a) The commissioner must convene, at regular intervals throughout the development and implementation of waiver reimagine phase II, a Waiver Reimagine Advisory Committee that consists of a group of diverse, representative stakeholders. The commissioner must solicit and endeavor to include racially, ethnically, and geographically diverse membership from each of the following groups:

- (1) people with disabilities who use waiver services;
- (2) family members of people who use waiver services;
- (3) disability and behavioral health advocates;
- (4) lead agency representatives; and
- (5) waiver service providers.

(b) The assistant commissioner of aging and disability services must attend and participate in meetings of the Waiver Reimagine Advisory Committee.

(c) The Waiver Reimagine Advisory Committee must have the opportunity to ~~assist~~ collaborate in a meaningful way in developing and providing feedback on proposed plans for waiver reimagine components, including an individual budget methodology, criteria and a process for individualized budget exemptions, the consolidation of the four current home and community-based waiver service programs into two-waiver programs, the role of assessments and the MnCHOICES 2.0 assessment



tool in determining service needs and individual budgets, and other aspects of waiver reimagine phase II.

(e) (d) The Waiver Reimagine Advisory Committee must have an opportunity to assist in the development of and provide feedback on proposed adjustments and modifications to the streamlined menu of services and the existing rate exception criteria and process.

Subd. 4. **Required report.** Prior to seeking federal approval for any aspect of waiver reimagine phase II and in ~~consultation~~ collaboration with the Waiver Reimagine Advisory Committee, the commissioner must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services a report on plans for waiver reimagine phase II. The report must also include any plans to adjust or modify the streamlined menu of services ~~or~~, the existing rate exemption criteria or process, the proposed individual budget ranges, and the role of MnCHOICES 2.0 assessment tool in determining service needs and individual budget ranges.

Subd. 5. **Transition process.** (a) Prior to implementation of wavier reimagine phase II, the commissioner must establish a process to assist people who use waiver services and lead agencies transition to a two-waiver system with an individual budget methodology.

(b) The commissioner must ensure that the new waiver service menu and individual budgets allow people to live in their own home, family home, or any home and community-based setting of their choice. The commissioner must ensure, ~~within available resources and~~ subject to state and federal regulations and law, that waiver reimagine does not result in unintended service disruptions.

Subd. 6. **Online support planning tool.** The commissioner must develop an online support planning and tracking tool for people using disability waiver services that allows access to the total budget available to the person, the services for which they are eligible, and the services they have chosen and used. The commissioner must explore operability options that would facilitate real-time tracking of a person's remaining available budget throughout the service year. The online support planning tool must provide information in an accessible format to support the person's informed choice. The commissioner must seek input from people with disabilities about the online support planning tool prior to its implementation.

Subd. 7. **Curriculum and training.** The commissioner must develop and implement a curriculum and training plan to ensure all lead agency assessors and case managers have the knowledge and skills necessary to comply with informed decision making for people who used home and community-based disability waivers. Training and competency evaluations must be completed annually by all staff responsible for case management as described in Minnesota Statutes, sections 256B.092, subdivision 1a, paragraph (f), and 256B.49, subdivision 13, paragraph (e).

Sec. 29. **COMMUNITY ACCESS FOR DISABILITY INCLUSION WAIVER CUSTOMIZED LIVING SERVICES PROVIDERS LOCATED IN HENNEPIN COUNTY.**

The community access for disability inclusion (CADI) waiver customized living and 24-hour customized living size and age limitation does not apply to two housing settings located in the city of Minneapolis that are financed by low-income housing tax credits created in calendar years 2005 and 2011 and in which 24-hour customized living services are provided to residents enrolled in the CADI waiver by Clare Housing.

## ARTICLE 2

## DEAF, DEAFBLIND, AND HARD-OF-HEARING SERVICES

Section 1. Minnesota Statutes 2022, section 256C.21, is amended to read:

**256C.21 DEAF, DEAFBLIND, AND HARD-OF-HEARING SERVICES ACT; CITATION.**

Sections 256C.21 to ~~256C.26~~ 256C.261 may be cited as the "Deaf, DeafBlind, and Hard-of-Hearing Services Act."

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

Sec. 2. Minnesota Statutes 2022, section 256C.23, subdivision 1a, is amended to read:

Subd. 1a. **Culturally affirmative.** "Culturally affirmative" describes services that are designed and delivered within the context of the culture, identity, language, communication, and life experiences of a person ~~persons~~ who is ~~are~~ deaf, a person ~~persons~~ who is ~~are~~ deafblind, and a person ~~persons~~ who is ~~are~~ hard-of-hearing.

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

Sec. 3. Minnesota Statutes 2022, section 256C.23, is amended by adding a subdivision to read:

Subd. 1b. Linguistically affirmative. "Linguistically affirmative" describes services that are designed and delivered within the context of the language and communication experiences of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing.

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

Sec. 4. Minnesota Statutes 2022, section 256C.23, subdivision 2, is amended to read:

Subd. 2. **Deaf.** "Deaf" means a hearing loss ~~of such severity that the individual must depend where the person communicates primarily on visual communication such as through~~ American Sign Language or ~~other~~ another signed language, ~~visual and manual means of communication such as signing systems in English or, Cued Speech, reading and writing, speech reading, and gestures or other visual communication.~~

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

Sec. 5. Minnesota Statutes 2022, section 256C.23, subdivision 2a, is amended to read:

Subd. 2a. **Hard-of-hearing.** "Hard-of-hearing" means a hearing loss ~~resulting in a functional loss of hearing, but not to the extent that the individual must depend~~ where the person does not communicate primarily upon ~~through~~ visual communication.

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

Sec. 6. Minnesota Statutes 2022, section 256C.23, subdivision 2b, is amended to read:

Subd. 2b. **Deafblind.** "Deafblind" means any combination of vision and hearing loss ~~which interferes with acquiring information from the environment to the extent that compensatory~~ where the person uses visual, auditory, or tactile strategies and skills ~~are necessary~~ such as the use of a tactile form of a visual or spoken language to access ~~that~~ communication, information from the environment, or other information.

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

Sec. 7. Minnesota Statutes 2022, section 256C.23, subdivision 2c, is amended to read:

Subd. 2c. **Interpreting services.** "Interpreting services" means services that include:

(1) interpreting between a spoken language, such as English, and a visual language, such as American Sign Language or another signed language;

(2) interpreting between a spoken language and a visual representation of a spoken language, such as Cued Speech ~~and~~ or signing systems in English;

(3) interpreting within one language where the interpreter ~~uses natural gestures and~~ silently repeats the spoken message, replacing some words or phrases to ~~give higher visibility on the lips~~ make the message more readable;

(4) interpreting using low vision or tactile methods, signing systems, or signed languages for persons who ~~have a combined hearing and vision loss or~~ are deafblind; and

(5) interpreting from one communication mode or language into another communication mode or language that is linguistically and culturally appropriate for the participants in the communication exchange.

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

Sec. 8. Minnesota Statutes 2022, section 256C.23, subdivision 6, is amended to read:

Subd. 6. **Real-time captioning.** "Real-time captioning" means a method of captioning in which ~~a caption is~~ captions are simultaneously prepared and displayed or transmitted at the time of origination by specially trained real-time captioners.

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

Sec. 9. Minnesota Statutes 2022, section 256C.23, subdivision 7, is amended to read:

Subd. 7. **Family and community intervener.** "Family and community intervener" means a ~~paraprofessional,~~ person who is specifically trained in deafblindness, who and works one-on-one with a child who is deafblind to provide critical ~~connections~~ access to language, communication, people, and the environment.

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

Sec. 10. Minnesota Statutes 2022, section 256C.233, subdivision 1, is amended to read:

Subdivision 1. ~~Deaf, DeafBlind, and Hard-of-Hearing~~ Hard of Hearing State Services Division. The commissioners of commerce, education, employment and economic development, and health shall advise partner with the commissioner of human services on the interagency activities of the Deaf, DeafBlind, and Hard-of-Hearing Hard of Hearing State Services Division. This division ~~addresses the developmental and social-emotional needs of~~ provides services for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing through a statewide network of programs, services, and supports. This division also advocates on behalf of and provides information and training about how to best serve persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing. The commissioner of human services shall coordinate the work of the interagency ~~advisers and partners,~~ receive legislative appropriations for the division, and provide grants through the division for programs, services, and supports for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in identified areas of need such as deafblind services, family services, interpreting services, and mental health services.

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

Sec. 11. Minnesota Statutes 2022, section 256C.233, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** The ~~Deaf, DeafBlind, and Hard-of-Hearing~~ Hard of Hearing State Services Division shall:

(1) establish and maintain a statewide network of regional culturally and linguistically affirmative services for Minnesotans who are deaf, Minnesotans who are deafblind, and Minnesotans who are hard-of-hearing;

(2) work across divisions within the Department of Human Services, as well as with other agencies and counties, to ensure that there is an understanding of:

(i) the communication access challenges faced by persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

(ii) the best practices for accommodating and ~~mitigating~~ addressing communication access challenges; and

(iii) the legal requirements for providing access to and effective communication with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

(3) assess the supply and demand statewide for ~~interpreter~~ interpreting services and real-time captioning services, implement strategies to provide greater access to these services in areas without sufficient supply, and ~~build the base of partner with interpreting service providers and real-time captioning service providers~~ across the state;

(4) maintain a statewide information resource that includes contact information and professional ~~certification credentials~~ certifications of interpreting service providers and real-time captioning service providers;

(5) provide culturally and linguistically affirmative mental health services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing who:

(i) use a visual language such as American Sign Language, another sign language, or a tactile form of a visual language; or

(ii) otherwise need culturally and linguistically affirmative therapeutic mental health services;

(6) research and develop best practices and recommendations for emerging issues; and

(7) provide as much information as practicable on the division's stand-alone website in American Sign Language; and.

~~(8) report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services biennially, beginning on January 1, 2019, on the following:~~

~~(i) the number of regional service center staff, the location of the office of each staff person, other service providers with which they are colocated, the number of people served by each staff person and a breakdown of whether each person was served on-site or off-site, and for those served off-site, a list of locations where services were delivered and the number who were served in-person and the number who were served via technology;~~

~~(ii) the amount and percentage of the division budget spent on reasonable accommodations for staff;~~

~~(iii) the number of people who use demonstration equipment and consumer evaluations of the experience;~~

~~(iv) the number of training sessions provided by division staff, the topics covered, the number of participants, and consumer evaluations, including a breakdown by delivery method such as in-person or via technology;~~

~~(v) the number of training sessions hosted at a division location provided by another service provider, the topics covered, the number of participants, and consumer evaluations, including a breakdown by delivery method such as in-person or via technology;~~

~~(vi) for each grant awarded, the amount awarded to the grantee and a summary of the grantee's results, including consumer evaluations of the services or products provided;~~

~~(vii) the number of people on waiting lists for any services provided by division staff or for services or equipment funded through grants awarded by the division;~~

~~(viii) the amount of time staff spent driving to appointments to deliver direct one-to-one client services in locations outside of the regional service centers; and~~

~~(ix) the regional needs and feedback on addressing service gaps identified by the advisory committees.~~

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

Sec. 12. Minnesota Statutes 2022, section 256C.24, subdivision 1, is amended to read:

Subdivision 1. **Location.** The Deaf, ~~DeafBlind~~, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division shall establish at least six regional service centers for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing. The centers shall be distributed regionally to provide access for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in all parts of the state.

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

Sec. 13. Minnesota Statutes 2022, section 256C.24, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** Each regional service center shall:

(1) employ qualified staff to work with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;

~~(1) (2) establish connections and collaborations and explore colcoating with other public and private entities providing services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in the region;~~

~~(2) (3) for those in need of services, assist in coordinating services between service providers and persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families, and make referrals to the services needed;~~

~~(3) employ staff trained to work with persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;~~

~~(4) if adequate or accessible services are not available from another public or private service provider in the region, provide individual culturally and linguistically affirmative assistance with service supports and solutions to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families. Individual culturally affirmative assistance may be provided using technology only in areas of the state where a person has access to sufficient quality telecommunications or broadband services to allow effective communication. When a person who is deaf, a person who is deafblind, or a person who is hard-of-hearing does not have access to sufficient telecommunications or broadband service, individual assistance shall be available in person;~~

~~(5) identify regional training and resource needs, work with deaf and hard-of-hearing services training staff, and collaborate with others to and deliver training and resources for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, and the persons' families, and other service providers about subjects including the persons' rights under the law, American Sign Language, and the impact of hearing loss and options for accommodating it;~~

~~(6) have a mobile or permanent lab where persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing can try a selection of ~~modern~~ assistive technology, telecommunications equipment, and other technology and equipment to determine what would best meet the persons' needs;~~

~~(7) collaborate with the Resource Center for the Deaf and Hard of Hearing Persons, other divisions of the Department of Education and local school districts to develop and deliver programs~~

~~and services for~~ provide information and resources to families with children who are deaf, children who are deafblind, or children who are hard-of-hearing and to support school personnel serving these children;

(8) provide training, resources, and consultation to the social service or income maintenance staff employed by counties or by organizations with whom counties contract for services to ensure that human services providers about communication barriers which prevent access and other needs of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing from using services are removed;

~~(9) provide training to human service agencies in the region regarding program access for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing;~~

~~(10)~~ (9) assess the ongoing need and supply of services for persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing in all parts of the state; annually consult with the division's advisory committees to identify regional needs and solicit feedback on addressing service gaps; and cooperate collaborate with public and private service providers to develop these services on service solutions;

~~(11)~~ (10) provide culturally and linguistically affirmative mental health services to persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing who:

(i) use a visual language such as American Sign Language, another sign language, or a tactile form of a visual language; or

(ii) otherwise need culturally and linguistically affirmative therapeutic mental health services; and

~~(12)~~ (11) establish partnerships with state and regional entities statewide that have the technological capacity to provide Minnesotans with virtual access to the division's services and division-sponsored training via through technology.

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

Sec. 14. Minnesota Statutes 2022, section 256C.24, subdivision 3, is amended to read:

Subd. 3. **Advisory committee.** The director of the Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division shall appoint eight advisory committees of up to nine persons per advisory committee. Each committee shall represent a specific region of the state. The director shall determine the boundaries of each advisory committee region. The committees shall advise the director on the needs of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing and service gaps in the region of the state the committee represents. Members shall include persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing, persons who have communication disabilities, parents of children who are deaf, parents of children who are deafblind, and parents of children who are hard-of-hearing, parents of children who have communication disabilities, and representatives of county and regional human services, including representatives of private service providers. At least 50 percent of the members must be deaf or deafblind or hard-of-hearing or have a communication disability. Committee members shall serve for a three-year term, and may be appointed to. Committee members shall serve no more than three

consecutive terms and no more than nine years in total. Each advisory committee shall elect a chair. The director of the Deaf, ~~DeafBlind~~, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division ~~shall~~ may assign staff to serve as nonvoting members of the committee. Members shall not receive a per diem. Otherwise, the compensation, removal of members, and filling of vacancies on the committee shall be as provided in section 15.0575.

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

Sec. 15. Minnesota Statutes 2022, section 256C.26, is amended to read:

**256C.26 EMPLOYMENT SERVICES.**

The commissioner of employment and economic development shall work with the Deaf, ~~DeafBlind~~, and ~~Hard-of-Hearing~~ Hard of Hearing State Services Division to develop and implement a plan to deal with the underemployment of persons who are deaf, persons who are deafblind, and persons who are hard-of-hearing persons.

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

Sec. 16. Minnesota Statutes 2022, section 256C.261, is amended to read:

**256C.261 SERVICES FOR PERSONS WHO ARE DEAFBLIND.**

(a) The commissioner of human services shall use at least ~~35~~ 60 percent of the deafblind services biennial base level grant funding for programs, services, and other supports for a child adults who are deafblind and for children who is are deafblind and the child's family children's families. ~~The commissioner shall use at least 25 percent of the deafblind services biennial base level grant funding for services and other supports for an adult who is deafblind.~~

(b) The commissioner shall award grants for the purposes of:

(1) ~~providing~~ providing programs, services, and supports to persons who are deafblind; and,

~~(2) developing and providing training to counties and the network of senior citizen service providers. The purpose of the training grants is to teach counties how to use existing programs that capture federal financial participation to meet the needs of eligible persons who are deafblind and to build capacity of senior service programs to meet the needs of seniors with a dual sensory hearing and vision loss.~~

(b) (c) The commissioner may make grants:

(1) for services and training provided by organizations to persons who are deafblind; and

(2) to develop and administer consumer-directed services: for persons who are deafblind; and

(3) to develop and provide training to counties and service providers on how to meet the needs of persons who are deafblind.



~~(e) (d)~~ Consumer-directed services ~~shall~~ must be provided in whole by grant-funded providers. ~~The Deaf and Hard-of-Hearing Services Division's regional service centers shall not provide any aspect of a grant-funded consumer-directed services program.~~

~~(d)~~ Any entity that is able to satisfy the grant criteria is eligible to receive a grant under paragraph ~~(a)~~.

(e) Deafblind service providers may, but are not required to, provide ~~intervener~~ intervener services as part of the service package provided with grant funds under this section. Intervener services include services provided by a family and community intervener as described in paragraph (f).

(f) The family and community intervener, as defined in section 256C.23, subdivision 7, provides services to open channels of communication between the child and others; facilitates the development or use of receptive and expressive communication skills by the child; and develops and maintains a trusting, interactive relationship that promotes social and emotional well-being. The family and community intervener also provides access to information and the environment; and facilitates opportunities for learning and development. A family and community intervener must have specific training in deafblindness, building language and communication skills, and intervention strategies.

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

Sec. 17. Minnesota Statutes 2022, section 256C.28, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The Commission of the Deaf, DeafBlind and Hard of Hearing consists of seven ten members appointed at large and one member each from each up to five advisory committee committees established under section 256C.24, subdivision 3. At least 50 percent of the voting members must be deaf or deafblind or hard-of-hearing. Members shall include persons who are deaf, deafblind, and hard-of-hearing, parents at least one parent or guardian of children a person who are is deaf, deafblind, and or hard-of-hearing, and representatives of county and regional human services, including representatives of private service providers. The commissioners of education, health, and employment and economic development and the director of the Deaf, DeafBlind, and Hard of Hearing State Services Division in the Department of Human Services, or their designees, shall serve as ex officio, nonvoting members of the commission. The commission may appoint additional ex officio members from other bureaus, divisions, or sections of state departments directly concerned with the provision of services to persons who are deaf, deafblind, or hard-of-hearing.

~~Commission~~ (b) Voting members of the commission are appointed by the governor for a four-year term and until successors are appointed and qualify. Commission Voting members of the commission shall serve no more than three consecutive full terms, and no more than 12 years in total.

(c) Annually, by January 31, the commission shall select one member as chair and one member as vice-chair to serve until January 31 of the following year or until the commission selects a new chair or vice-chair, whichever occurs later.

**ARTICLE 3****AGING SERVICES**

Section 1. Minnesota Statutes 2022, section 144A.20, subdivision 4, is amended to read:

Subd. 4. **Assisted living director qualifications; ongoing training.** (a) The Board of Executives for Long Term Services and Supports may issue licenses to qualified persons as an assisted living director and shall approve training and examinations. No license shall be issued to a person as an assisted living director unless that person:

(1) is eligible for licensure;

(2) has applied for licensure under this subdivision within ~~six months~~ 30 days of hire as an assisted living director; and

(3) has satisfactorily met standards set by the board ~~or is scheduled to complete the training in paragraph (b) within one year of hire~~. The standards shall be designed to assure that assisted living directors are individuals who, by training or experience, are qualified to serve as assisted living directors.

(b) In order to be qualified to serve as an assisted living director, an individual must:

(1) have completed an approved training course and passed an examination approved by the board that is designed to test for competence and that includes assisted living facility laws in Minnesota; or

(2)(i) currently be licensed in the state of Minnesota as a nursing home administrator or have been validated as a qualified health services executive by the National Association of Long Term Care Administrator Boards; and

(ii) have core knowledge of assisted living facility laws; ~~or~~

(3) apply for licensure by July 1, 2021, and satisfy one of the following:

(i) ~~have a higher education degree in nursing, social services, or mental health, or another professional degree with training specific to management and regulatory compliance;~~

(ii) ~~have at least three years of supervisory, management, or operational experience and higher education training applicable to an assisted living facility;~~

(iii) ~~have completed at least 1,000 hours of an executive in training program provided by an assisted living director licensed under this subdivision; or~~

(iv) ~~have managed a housing with services establishment operating under assisted living title protection for at least three years.~~

(c) An assisted living director must receive at least 30 hours of training continuing education every two years on topics relevant to the operation of an assisted living facility and the needs of its residents. An assisted living director must maintain records of the training continuing education

required by this paragraph for at least the most recent three-year period and must provide these records to Department of Health surveyors upon request. Continuing education earned to maintain another professional license, such as a nursing home administrator license, nursing license, social worker license, mental health professional license, or real estate license, may be used to satisfy this requirement when the continuing education is relevant to the assisted living services offered and residents served at the assisted living facility.

Sec. 2. Minnesota Statutes 2022, section 144G.30, subdivision 5, is amended to read:

Subd. 5. **Correction orders.** (a) A correction order may be issued whenever the commissioner finds upon survey or during a complaint investigation that a facility, a managerial official, an agent of the facility, or an employee of the facility is not in compliance with this chapter. The correction order shall cite the specific statute and document areas of noncompliance and the time allowed for correction.

(b) The commissioner shall mail or email copies of any correction order to the facility within 30 calendar days after the survey exit date. A copy of each correction order and copies of any documentation supplied to the commissioner shall be kept on file by the facility and public documents shall be made available for viewing by any person upon request. Copies may be kept electronically.

(c) By the correction order date, the facility must:

(1) document in the facility's records any action taken to comply with the correction order. The commissioner may request a copy of this documentation and the facility's action to respond to the correction order in future surveys, upon a complaint investigation, and as otherwise needed; and

(2) make available, in a manner readily accessible to residents and others, including provision of a paper copy upon request, the most recent plan of correction documenting the actions taken by the facility to comply with the correction order.

(d) After the plan of correction is made available under paragraph (c), clause (2), the facility must provide a copy of the facility's most recent plan of correction to any individual who requests it. A copy of the most recent plan of correction must be provided within 30 days after the request and in a format determined by the facility, except the facility must make reasonable accommodations in providing the plan of correction in another format, including a paper copy, upon request.

**EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to correction orders issued on or after that date.

Sec. 3. Minnesota Statutes 2022, section 256.975, subdivision 7e, is amended to read:

Subd. 7e. **Long-term care options counseling ~~for assisted living at critical care transitions.~~** (a) The purpose of long-term care options counseling ~~for assisted living~~ is to support persons with current or anticipated long-term care needs in making informed choices among options that include the most cost-effective and least restrictive settings. ~~Prospective residents maintain the right to choose assisted living if that option is their preference.~~ Reaching people before a crisis and during care transitions is important to ensure quality of care and life, prevent unnecessary hospitalizations and readmissions, reduce the burden on the health care system, reduce costs, and support personal preferences.

~~(b) Licensed assisted living facilities shall inform each prospective resident or the prospective resident's designated or legal representative of the availability of long-term care options counseling for assisted living and the need to receive and verify the counseling prior to signing a contract. Long-term care options counseling for assisted living is provided as determined by the commissioner of human services. The service is delivered under a partnership between lead agencies as defined in subdivision 10, paragraph (g), and the Area Agencies on Aging, and is a point of entry to a combination of telephone-based long-term care options counseling provided by Senior LinkAge Line and in-person long-term care consultation provided by lead agencies. The point of entry service must be provided within five working days of the request of the prospective resident as follows: Counseling must be delivered by Senior LinkAge Line either by telephone or in-person. Counseling must:~~

~~(1) the counseling shall be conducted with the prospective resident, or in the alternative, the resident's designated or legal representative, if:~~

~~(i) the resident verbally requests; or~~

~~(ii) the assisted living facility has documentation of the designated or legal representative's authority to enter into a lease or contract on behalf of the prospective resident and accepts the documentation in good faith;~~

~~(2) the counseling shall (1) be performed in a manner that provides objective and complete information;~~

~~(3) the counseling must (2) include a review of the prospective resident's reasons for considering assisted living services, the prospective resident's person's personal goals, a discussion of the prospective resident's person's immediate and projected long-term care needs, and alternative community services or settings that may meet the prospective resident's person's needs; and~~

~~(4) the prospective resident must be informed of the availability of an in-person visit from a long-term care consultation team member at no charge to the prospective resident to assist the prospective resident in assessment and planning to meet the prospective resident's long-term care needs; and~~

~~(5) verification of counseling shall be generated and provided to the prospective resident by Senior LinkAge Line upon completion of the telephone-based counseling (3) include the counseling and referral protocols in subdivision 7, paragraph (b), clauses (11) to (13).~~

~~(c) An assisted living facility licensed under chapter 144G shall:~~

~~(1) must inform each prospective resident or the prospective resident's designated or legal representative of the availability of and contact information for long-term care options counseling services under this subdivision; by providing Senior LinkAge Line information at the facility tour.~~

~~(2) receive a copy of the verification of counseling prior to executing a contract with the prospective resident; and~~

~~(3) retain a copy of the verification of counseling as part of the resident's file.~~

(d) Emergency admissions to licensed assisted living facilities prior to consultation under paragraph (b) are permitted according to policies established by the commissioner. Prior to discharge, hospitals must refer older adults who are at risk of nursing home placement to the Senior LinkAge Line for long-term care options counseling. Hospitals must make these referrals using referral protocols and processes developed under subdivision 7.

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

Sec. 4. Minnesota Statutes 2022, section 256B.69, is amended by adding a subdivision to read:

Subd. 6h. **Continuity of care for seniors receiving personal assistance.** (a) If an individual 65 years of age or older is receiving personal assistance from the same agency continuously during the six months prior to being newly enrolled with any managed care or county-based purchasing plan, the managed care or county-based purchasing plan with which the individual is newly enrolled must offer the agency a contract for the purposes of allowing the enrollee to receive any personal assistance covered under the terms of the plan from the enrollee's current agency, provided the enrollee continues to live in the service area of the enrollee's current agency.

(b) For the purposes of this subdivision, the following terms have the meanings given:

(1) "agency" means any of the following:

(i) a personal care assistance provider agency as defined under section 256B.0659, subdivision 1, paragraph (1);

(ii) an agency provider as described in section 256B.85, subdivision 2, paragraph (c); or

(iii) a financial management services provider for an enrollee who directly employs direct care staff through the community first services and supports budget model or through the consumer-directed community supports option available under the elderly waiver; and

(2) "personal assistance" means any of the following:

(i) personal care assistance services, extended personal care assistance services, or enhanced rate personal care assistance services under section 256B.0659;

(ii) community first services and supports, extended community first services and supports, or enhanced rate community first services and supports under section 256B.85; or

(iii) personal assistance provided through the consumer-directed community supports option available under the elderly waiver.

(c) This subdivision applies only if the enrollee's current agency agrees to accept as payment in full the managed care plan's or county-based purchasing plan's in-network reimbursement rate for the same covered service at the time the service is provided, and agrees to enter into a managed care plan's or county-based purchasing plan's contract for services of like kind.

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

Sec. 5. Minnesota Statutes 2022, section 256R.08, subdivision 1, is amended to read:

Subdivision 1. **Reporting of financial statements.** (a) No later than February 1 of each year, a nursing facility must:

(1) provide the state agency with a copy of its ~~audited financial statements or its~~ working trial balance;

(2) provide the state agency with a copy of its audited financial statements for each year an audit is conducted;

~~(2)~~ (3) provide the state agency with a statement of ownership for the facility;

~~(3)~~ (4) provide the state agency with separate, audited financial statements ~~or~~ and working trial balances for every other facility owned in whole or in part by an individual or entity that has an ownership interest in the facility;

(5) provide the state agency with information regarding whether the licensee or a general partner, director, or officer of the licensee controls or has an ownership interest of five percent or more in a related organization that provides any services, facilities, or supplies to the nursing facility;

~~(4)~~ (6) upon request, provide the state agency with separate, audited financial statements ~~or~~ and working trial balances for every organization with which the facility conducts business and which is owned in whole or in part by an individual or entity which has an ownership interest in the facility;

~~(5)~~ (7) provide the state agency with copies of leases, purchase agreements, and other documents related to the lease or purchase of the nursing facility; and

~~(6)~~ (8) upon request, provide the state agency with copies of leases, purchase agreements, and other documents related to the acquisition of equipment, goods, and services which are claimed as allowable costs.

(b) If the licensee or the general partner, director, or officer of the licensee controls or has an interest as described in paragraph (a), clause (5), the licensee must disclose all services, facilities, or supplies provided to the nursing facility; the number of individuals who provide services, facilities, or supplies at the nursing facility; and any other information requested by the state agency.

~~(b)~~ (c) Audited financial statements submitted under ~~paragraph~~ paragraphs (a) and (b) must include a balance sheet, income statement, statement of the rate or rates charged to private paying residents, statement of retained earnings, statement of cash flows, notes to the financial statements, audited applicable supplemental information, and the public accountant's report. Public accountants must conduct audits in accordance with chapter 326A. The cost of an audit must not be an allowable cost unless the nursing facility submits its audited financial statements in the manner otherwise specified in this subdivision. A nursing facility must permit access by the state agency to the public accountant's audit work papers that support the audited financial statements submitted under ~~paragraph~~ paragraphs (a) and (b).

~~(c)~~ (d) Documents or information provided to the state agency pursuant to this subdivision must be public unless prohibited by the Health Insurance Portability and Accountability Act or any other federal or state regulation. Data, notes, and preliminary drafts of reports created, collected, and maintained by the audit offices of government entities, or persons performing audits for government

entities, and relating to an audit or investigation are confidential data on individuals or protected nonpublic data until the final report has been published or the audit or investigation is no longer being pursued actively, except that the data must be disclosed as required to comply with section 6.67 or 609.456.

~~(d)~~ (e) If the requirements of paragraphs (a) ~~and~~ (b), and (c) are not met, the reimbursement rate may be reduced to 80 percent of the rate in effect on the first day of the fourth calendar month after the close of the reporting period and the reduction must continue until the requirements are met.

(f) Licensees must provide the information required in this section to the commissioner in a manner prescribed by the commissioner.

(g) For purposes of this section, "related organization" and "control" have the meanings given in section 256R.02, subdivision 43.

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

Sec. 6. Minnesota Statutes 2022, section 256R.08, is amended by adding a subdivision to read:

Subd. 5. **Notice of costs associated with leases, rent, and use of land or other real property by nursing homes.** (a) Nursing homes must annually report to the commissioner, in a manner determined by the commissioner, their cost associated with leases, rent, and use of land or other real property and any other related information requested by the state agency.

(b) A nursing facility that violates this subdivision is subject to the penalties and procedures under section 256R.04, subdivision 7.

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

Sec. 7. **REPEALER.**

(a) Minnesota Statutes 2022, section 256.975, subdivisions 7f and 7g, are repealed.

(b) Minnesota Statutes 2022, section 256R.18, is repealed.

**EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2024. Paragraph (b) is effective July 1, 2024.

## ARTICLE 4

### SUBSTANCE USE DISORDER SERVICES

Section 1. Minnesota Statutes 2022, section 148F.025, subdivision 2, is amended to read:

Subd. 2. **Education requirements for licensure.** An applicant for licensure must submit evidence satisfactory to the board that the applicant has:

(1) received a bachelor's or master's degree from an accredited school or educational program; and

(2) received 18 semester credits or 270 clock hours of academic course work and 880 clock hours of supervised alcohol and drug counseling practicum from an accredited school or education program. The course work and practicum do not have to be part of the bachelor's degree earned under clause (1). The academic course work must be in the following areas:

(i) an overview of the transdisciplinary foundations of alcohol and drug counseling, including theories of chemical dependency, the continuum of care, and the process of change;

(ii) pharmacology of substance abuse disorders and the dynamics of addiction, including substance use disorder treatment with medications for opioid use disorder;

(iii) professional and ethical responsibilities;

(iv) multicultural aspects of chemical dependency;

(v) co-occurring disorders; and

(vi) the core functions defined in section 148F.01, subdivision 10.

Sec. 2. Minnesota Statutes 2022, section 245F.02, subdivision 17, is amended to read:

Subd. 17. **Peer recovery support services.** "Peer recovery support services" means ~~mentoring and education, advocacy, and nonclinical recovery support provided by a recovery peer~~ services provided according to section 245F.08, subdivision 3.

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

Sec. 3. Minnesota Statutes 2022, section 245F.02, subdivision 21, is amended to read:

Subd. 21. **Recovery peer.** "Recovery peer" means a person who has progressed in the person's own recovery from substance use disorder and is willing to serve as a peer to assist others in their recovery ~~and is qualified according to section 245F.15, subdivision 7.~~

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

Sec. 4. Minnesota Statutes 2022, section 245F.08, subdivision 3, is amended to read:

Subd. 3. **Peer recovery support services.** ~~(a) Peers in recovery serve as mentors or recovery support partners for individuals in recovery, and may provide encouragement, self disclosure of recovery experiences, transportation to appointments, assistance with finding resources that will help locate housing, job search resources, and assistance finding and participating in support groups.~~

~~(b) Peer recovery support services are provided by a recovery peer and must be supervised by the responsible staff person.~~

Peer recovery support services must meet the requirements in section 245G.07, subdivision 2, clause (8), and must be provided by a person who is qualified according to the requirements in section 245F.15, subdivision 7.

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



Sec. 5. Minnesota Statutes 2022, section 245F.15, subdivision 7, is amended to read:

Subd. 7. **Recovery peer qualifications.** Recovery peers must:

~~(1) be at least 21 years of age and have a high school diploma or its equivalent;~~

~~(2) have a minimum of one year in recovery from substance use disorder;~~

~~(3) have completed a curriculum designated by the commissioner that teaches specific skills and training in the domains of ethics and boundaries, advocacy, mentoring and education, and recovery and wellness support; and~~

~~(4) receive supervision in areas specific to the domains of their role by qualified supervisory staff.~~

(1) meet the qualifications in section 245I.04, subdivision 18; and

(2) provide services according to the scope of practice established in section 245I.04, subdivision 19, under the supervision of an alcohol and drug counselor.

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

Sec. 6. Minnesota Statutes 2022, section 245G.031, subdivision 2, is amended to read:

Subd. 2. **Qualifying accreditation; determination of same and similar standards.** (a) The commissioner must accept a qualifying accreditation from an accrediting body listed in paragraph (c) after determining, in consultation with the accrediting body and license holders, which of the accrediting body's standards ~~that~~ are the same as or similar to the licensing requirements in this chapter. In determining whether standards of an accrediting body are the same as or similar to licensing requirements under this chapter, the commissioner shall give due consideration to the existence of a standard that aligns in whole or in part to a licensing standard.

(b) Upon request by a license holder, the commissioner may allow the accrediting body to monitor for compliance with licensing requirements under this chapter that are determined to be neither the same as nor similar to those of the accrediting body.

(c) For purposes of this section, "accrediting body" means The Joint Commission.

(d) Qualifying accreditation only applies to the license holder's licensed programs that are included in the accrediting body's survey during each survey period.

Sec. 7. Minnesota Statutes 2022, section 245G.04, is amended by adding a subdivision to read:

Subd. 3. **Opioid educational material.** The license holder must provide opioid educational material to the client on the day of service initiation. The license holder must use the opioid educational material approved by the commissioner that contains information on:

(1) risks for opioid use disorder and dependence;

(2) treatment options, including the use of a medication for opioid use disorder;

(3) the risk and recognition of opioid overdose; and

(4) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.

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

Sec. 8. Minnesota Statutes 2023 Supplement, section 245G.05, subdivision 3, is amended to read:

Subd. 3. **Comprehensive assessment requirements.** (a) A comprehensive assessment must meet the requirements under section 245I.10, subdivision 6, paragraphs (b) and (c). It must also include:

(1) a diagnosis of a substance use disorder or a finding that the client does not meet the criteria for a substance use disorder;

(2) a determination of whether the individual screens positive for co-occurring mental health disorders using a screening tool approved by the commissioner pursuant to section 245.4863;

(3) a risk rating and summary to support the risk ratings within each of the dimensions listed in section 254B.04, subdivision 4; and

(4) a recommendation for the ASAM level of care identified in section 254B.19, subdivision 1.

~~(b) If the individual is assessed for opioid use disorder, the program must provide educational material to the client within 24 hours of service initiation on:~~

~~(1) risks for opioid use disorder and dependence;~~

~~(2) treatment options, including the use of a medication for opioid use disorder;~~

~~(3) the risk and recognition of opioid overdose; and~~

~~(4) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.~~

~~If the client is identified as having opioid use disorder at a later point, the required educational material must be provided at that point. The license holder must use the educational materials that are approved by the commissioner to comply with this requirement.~~

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

Sec. 9. Minnesota Statutes 2023 Supplement, section 245G.09, subdivision 3, is amended to read:

Subd. 3. **Contents.** Client records must contain the following:

(1) documentation that the client was given information on client rights and responsibilities, grievance procedures, tuberculosis, and HIV, and that the client was provided an orientation to the program abuse prevention plan required under section 245A.65, subdivision 2, paragraph (a), clause (4). If the client has an opioid use disorder, the record must contain documentation that the client

was provided educational information according to section ~~245G.05~~ 245G.04, subdivision 3; ~~paragraph (b)~~;

(2) an initial services plan completed according to section 245G.04;

(3) a comprehensive assessment completed according to section 245G.05;

(4) an individual abuse prevention plan according to sections 245A.65, subdivision 2, and 626.557, subdivision 14, when applicable;

(5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

(6) documentation of treatment services, significant events, appointments, concerns, and treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

(7) a summary at the time of service termination according to section 245G.06, subdivision 4.

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

Sec. 10. Minnesota Statutes 2023 Supplement, section 245G.11, subdivision 10, is amended to read:

Subd. 10. **Student interns and former students.** (a) A qualified staff member must supervise and be responsible for a treatment service performed by a student intern and must review and sign each assessment, individual treatment plan, and treatment plan review prepared by a student intern.

(b) An alcohol and drug counselor must supervise and be responsible for a treatment service performed by a former student and must review and sign each assessment, individual treatment plan, and treatment plan review prepared by the former student.

(c) A student intern or former student must receive the orientation and training required in section 245G.13, subdivisions 1, clause (7), and 2. No more than 50 percent of the treatment staff may be ~~students, student interns or former students, or licensing candidates~~ with time documented to be directly related to the provision of treatment services for which the staff are authorized.

Sec. 11. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 2, is amended to read:

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

(b) "Diversion" means the use of a medication for the treatment of opioid addiction being diverted from intended use of the medication.

(c) "Guest dose" means administration of a medication used for the treatment of opioid addiction to a person who is not a client of the program that is administering or dispensing the medication.

(d) "Medical director" means a practitioner licensed to practice medicine in the jurisdiction that the opioid treatment program is located who assumes responsibility for administering all medical

services performed by the program, either by performing the services directly or by delegating specific responsibility to a practitioner of the opioid treatment program.

(e) "Medication used for the treatment of opioid use disorder" means a medication approved by the Food and Drug Administration for the treatment of opioid use disorder.

(f) "Minnesota health care programs" has the meaning given in section 256B.0636.

(g) "Opioid treatment program" has the meaning given in Code of Federal Regulations, title 42, section 8.12, and includes programs licensed under this chapter.

(h) "Practitioner" means a staff member holding a current, unrestricted license to practice medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing and is currently registered with the Drug Enforcement Administration to order or dispense controlled substances in Schedules II to V under the Controlled Substances Act, United States Code, title 21, part B, section 821. ~~Practitioner includes an advanced practice registered nurse and physician assistant if the staff member receives a variance by the state opioid treatment authority under section 254A.03 and the federal Substance Abuse and Mental Health Services Administration.~~

(i) "Unsupervised use" or "take-home dose" means the use of a medication for the treatment of opioid use disorder dispensed for use by a client outside of the program setting.

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

Sec. 12. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of medication used for the treatment of opioid use disorder to the illicit market, medication dispensed to a client for unsupervised use shall be subject to the requirements of this subdivision. Any client in an opioid treatment program may receive a single unsupervised use dose for a day that the clinic is closed for business, including Sundays and state and federal holidays individualized take-home doses as ordered for days that the clinic is closed for business on one weekend day and state and federal holidays, no matter the client's length of time in treatment, as allowed under Code of Federal Regulations, title 42, section 8.12(i)(1).

(b) For take-home doses beyond those allowed in paragraph (a), a practitioner with authority to prescribe must review and document the criteria in this paragraph and paragraph (e) Code of Federal Regulations, title 42, section 8.12(i)(2), when determining whether dispensing medication for a client's unsupervised use is safe and when it is appropriate to implement, increase, or extend the amount of time between visits to the program. The criteria are:

(1) ~~absence of recent abuse of drugs including but not limited to opioids, non-narcotics, and alcohol;~~

(2) ~~regularity of program attendance;~~

(3) ~~absence of serious behavioral problems at the program;~~

(4) ~~absence of known recent criminal activity such as drug dealing;~~

- ~~(5) stability of the client's home environment and social relationships;~~
  - ~~(6) length of time in comprehensive maintenance treatment;~~
  - ~~(7) reasonable assurance that unsupervised use medication will be safely stored within the client's home; and~~
  - ~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency of program attendance outweighs the potential risks of diversion or unsupervised use.~~
- (c) The determination, including the basis of the determination must be documented by a practitioner in the client's medical record.

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

Sec. 13. Minnesota Statutes 2022, section 245G.22, subdivision 7, is amended to read:

Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** ~~(a) If a medical director or prescribing practitioner assesses and determines, and documents that a client meets the criteria in subdivision 6 and may be dispensed a medication used for the treatment of opioid addiction, the restrictions in this subdivision must be followed when the medication to be dispensed is methadone hydrochloride. The results of the assessment must be contained in the client file. The number of unsupervised use medication doses per week in paragraphs (b) to (d) is in addition to the number of unsupervised use medication doses a client may receive for days the clinic is closed for business as allowed by subdivision 6, paragraph (a) and that a patient is safely able to manage unsupervised doses of methadone, the number of take-home doses the client receives must be limited by the number allowed by Code of Federal Regulations, title 42, section 8.12(i)(3).~~

~~(b) During the first 90 days of treatment, the unsupervised use medication supply must be limited to a maximum of a single dose each week and the client shall ingest all other doses under direct supervision.~~

~~(c) In the second 90 days of treatment, the unsupervised use medication supply must be limited to two doses per week.~~

~~(d) In the third 90 days of treatment, the unsupervised use medication supply must not exceed three doses per week.~~

~~(e) In the remaining months of the first year, a client may be given a maximum six-day unsupervised use medication supply.~~

~~(f) After one year of continuous treatment, a client may be given a maximum two-week unsupervised use medication supply.~~

~~(g) After two years of continuous treatment, a client may be given a maximum one-month unsupervised use medication supply, but must make monthly visits to the program.~~

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

Sec. 14. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended to read:

Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the policies and procedures required in this subdivision.

(b) For a program that is not open every day of the year, the license holder must maintain a policy and procedure that covers requirements under ~~section 245G.22~~, subdivisions 6 and 7. Unsupervised use of medication used for the treatment of opioid use disorder for days that the program is closed for business, ~~including but not limited to Sundays on one weekend day~~ and state and federal holidays, must meet the requirements under ~~section 245G.22~~, subdivisions 6 and 7.

(c) The license holder must maintain a policy and procedure that includes specific measures to reduce the possibility of diversion. The policy and procedure must:

(1) specifically identify and define the responsibilities of the medical and administrative staff for performing diversion control measures; and

(2) include a process for contacting no less than five percent of clients who have unsupervised use of medication, excluding clients approved solely under subdivision 6, paragraph (a), to require clients to physically return to the program each month. The system must require clients to return to the program within a stipulated time frame and turn in all unused medication containers related to opioid use disorder treatment. The license holder must document all related contacts on a central log and the outcome of the contact for each client in the client's record. The medical director must be informed of each outcome that results in a situation in which a possible diversion issue was identified.

(d) Medication used for the treatment of opioid use disorder must be ordered, administered, and dispensed according to applicable state and federal regulations and the standards set by applicable accreditation entities. If a medication order requires assessment by the person administering or dispensing the medication to determine the amount to be administered or dispensed, the assessment must be completed by an individual whose professional scope of practice permits an assessment. For the purposes of enforcement of this paragraph, the commissioner has the authority to monitor the person administering or dispensing the medication for compliance with state and federal regulations and the relevant standards of the license holder's accreditation agency and may issue licensing actions according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's determination of noncompliance.

~~(e) A counselor in an opioid treatment program must not supervise more than 50 clients. The license holder must maintain a ratio of one full-time equivalent alcohol and drug counselor for every 60 clients enrolled in the program. The license holder must determine the appropriate number of clients for which each counselor is responsible based on the needs of each client. The license holder must maintain documentation of the clients assigned to each counselor to demonstrate compliance with this paragraph. For the purpose of this paragraph, "full-time equivalent" means working at least 32 hours each week.~~

~~(f) Notwithstanding paragraph (e), From July 1, 2023, to June 30, 2024, a counselor in an opioid treatment program may supervise up to 60 clients. The license holder may continue to serve a client who was receiving services at the program on June 30, 2024, at a counselor to client ratio of up to~~

~~one to 60 and is not required to discharge any clients in order to return to the counselor to client ratio of one to 50. The license holder may not, however, serve a new client after June 30, 2024, unless the counselor who would supervise the new client is supervising fewer than 50 existing clients.~~

**EFFECTIVE DATE.** This section is effective July 1, 2024, except the amendments to paragraph (b) are effective the day following final enactment.

Sec. 15. Minnesota Statutes 2023 Supplement, section 245I.04, subdivision 18, is amended to read:

Subd. 18. **Recovery peer qualifications.** (a) A recovery peer must:

(1) have a minimum of one year in recovery from substance use disorder; and

(2) hold a current credential from the Minnesota Certification Board, the Upper Midwest Indian Council on Addictive Disorders, or the National Association for Alcoholism and Drug Abuse Counselors that demonstrates skills and training in the domains of ethics and boundaries, advocacy, mentoring and education, and recovery and wellness support.

(b) A recovery peer who receives a credential from a Tribal Nation when providing peer recovery support services in a tribally licensed program satisfies the requirement in paragraph (a), clause (2).

(c) A recovery peer hired on or after July 1, 2024, must not be classified or treated as an independent contractor. Beginning January 1, 2025, a recovery peer must not be classified or treated as an independent contractor.

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

Sec. 16. Minnesota Statutes 2023 Supplement, section 254A.19, subdivision 3, is amended to read:

Subd. 3. **Comprehensive assessments.** (a) An eligible vendor under section 254B.05 conducting a comprehensive assessment for an individual seeking treatment shall ~~approve~~ recommend the nature, intensity level, and duration of treatment service if a need for services is indicated, but the individual assessed can access any enrolled provider that is licensed to provide the level of service authorized, including the provider or program that completed the assessment. If an individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations.

(b) When a comprehensive assessment is completed while the individual is in a substance use disorder treatment program, the comprehensive assessment must meet the requirements of section 245G.05.

(c) When a comprehensive assessment is completed while the individual is in a withdrawal management program, the comprehensive assessment must meet the requirements of section 245F.06.

(d) When a comprehensive assessment is completed for purposes of payment under section 254B.05, subdivision 1, paragraph (b), (c), or (i), or if the assessment is completed prior to service

initiation by a licensed substance use disorder treatment program licensed under chapter 245G or applicable Tribal license, the assessor must:

- (1) include all components under section 245G.05, subdivision 3;
- (2) provide the assessment within five days or at a later date upon the client's request, or refer the individual to other locations where they may access this service sooner;
- (3) provide information on payment options for substance use disorder services when the individual is uninsured or underinsured;
- (4) provide the individual with a notice of privacy practices;
- (5) provide a copy of the completed comprehensive assessment, upon request;
- (6) provide resources and contact information for the level of care being recommended; and
- (7) provide an individual diagnosed with an opioid use disorder with educational material approved by the commissioner that contains information on:
  - (i) risks for opioid use disorder and opioid dependence;
  - (ii) treatment options, including the use of a medication for opioid use disorder;
  - (iii) the risk and recognition of opioid overdose; and
  - (iv) the use, availability, and administration of an opiate antagonist to respond to opioid overdose.

Sec. 17. Minnesota Statutes 2022, section 254B.03, subdivision 4, is amended to read:

Subd. 4. **Division of costs.** (a) Except for services provided by a county under section 254B.09, subdivision 1, or services provided under section 256B.69, the county shall, out of local money, pay the state for 22.95 percent of the cost of substance use disorder services, except for those services provided to persons enrolled in medical assistance under chapter 256B and room and board services under section 254B.05, subdivision 5, paragraph (b), ~~clause (12)~~. Counties may use the indigent hospitalization levy for treatment and hospital payments made under this section.

(b) 22.95 percent of any state collections from private or third-party pay, less 15 percent for the cost of payment and collections, must be distributed to the county that paid for a portion of the treatment under this section.

Sec. 18. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 1a, is amended to read:

Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal Regulations, title 25, part 20, who meet the income standards of section 256B.056, subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health fund services. State money appropriated for this paragraph must be placed in a separate account established for this purpose.



(b) Persons with dependent children who are determined to be in need of substance use disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in need of chemical dependency treatment pursuant to a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment services. Treatment services must be appropriate for the individual or family, which may include long-term care treatment or treatment in a facility that allows the dependent children to stay in the treatment facility. The county shall pay for out-of-home placement costs, if applicable.

(c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible for room and board services under section 254B.05, subdivision 5, paragraph (b), ~~clause (12)~~.

(d) A client is eligible to have substance use disorder treatment paid for with funds from the behavioral health fund when the client:

(1) is eligible for MFIP as determined under chapter 256J;

(2) is eligible for medical assistance as determined under Minnesota Rules, parts 9505.0010 to 9505.0150;

(3) is eligible for general assistance, general assistance medical care, or work readiness as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

(4) has income that is within current household size and income guidelines for entitled persons, as defined in this subdivision and subdivision 7.

(e) Clients who meet the financial eligibility requirement in paragraph (a) and who have a third-party payment source are eligible for the behavioral health fund if the third-party payment source pays less than 100 percent of the cost of treatment services for eligible clients.

(f) A client is ineligible to have substance use disorder treatment services paid for with behavioral health fund money if the client:

(1) has an income that exceeds current household size and income guidelines for entitled persons as defined in this subdivision and subdivision 7; or

(2) has an available third-party payment source that will pay the total cost of the client's treatment.

(g) A client who is disenrolled from a state prepaid health plan during a treatment episode is eligible for continued treatment service that is paid for by the behavioral health fund until the treatment episode is completed or the client is re-enrolled in a state prepaid health plan if the client:

(1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance medical care; or

(2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local agency under section 254B.04.

(h) When a county commits a client under chapter 253B to a regional treatment center for substance use disorder services and the client is ineligible for the behavioral health fund, the county

is responsible for the payment to the regional treatment center according to section 254B.05, subdivision 4.

Sec. 19. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 2a, is amended to read:

Subd. 2a. **Eligibility for room and board services for persons in outpatient substance use disorder treatment.** A person eligible for room and board services under section 254B.05, subdivision 5, paragraph (b), ~~clause (12)~~, must score at level 4 on assessment dimensions related to readiness to change, relapse, continued use, or recovery environment in order to be assigned to services with a room and board component reimbursed under this section. Whether a treatment facility has been designated an institution for mental diseases under United States Code, title 42, section 1396d, shall not be a factor in making placements.

Sec. 20. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 6, is amended to read:

Subd. 6. **Local agency to determine client financial eligibility.** (a) The local agency shall determine a client's financial eligibility for the behavioral health fund according to section 254B.04, subdivision 1a, with the income calculated prospectively for one year from the date of ~~comprehensive assessment~~ request. The local agency shall pay for eligible clients according to chapter 256G. ~~The local agency shall enter the financial eligibility span within ten calendar days of request.~~ Client eligibility must be determined using only forms prescribed by the ~~department~~ commissioner unless the local agency has a reasonable basis for believing that the information submitted on a form is false. To determine a client's eligibility, the local agency must determine the client's income, the size of the client's household, the availability of a third-party payment source, and a responsible relative's ability to pay for the client's substance use disorder treatment.

(b) A client who is a minor child must not be deemed to have income available to pay for substance use disorder treatment, unless the minor child is responsible for payment under section 144.347 for substance use disorder treatment services sought under section 144.343, subdivision 1.

(c) The local agency must determine the client's household size as follows:

(1) if the client is a minor child, the household size includes the following persons living in the same dwelling unit:

- (i) the client;
- (ii) the client's birth or adoptive parents; and
- (iii) the client's siblings who are minors; and

(2) if the client is an adult, the household size includes the following persons living in the same dwelling unit:

- (i) the client;
- (ii) the client's spouse;

(iii) the client's minor children; and

(iv) the client's spouse's minor children.

For purposes of this paragraph, household size includes a person listed in clauses (1) and (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing to the cost of care of the person in out-of-home placement.

(d) The local agency must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of co-payment.

(e) The local agency must provide the required eligibility information to the department in the manner specified by the department.

(f) The local agency shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

(g) The local agency must redetermine a client's eligibility for the behavioral health fund every 12 months.

(h) A client, responsible relative, and policyholder must provide income or wage verification, household size verification, and must make an assignment of third-party payment rights under paragraph (f). If a client, responsible relative, or policyholder does not comply with the provisions of this subdivision, the client is ineligible for behavioral health fund payment for substance use disorder treatment, and the client and responsible relative must be obligated to pay for the full cost of substance use disorder treatment services provided to the client.

Sec. 21. Minnesota Statutes 2023 Supplement, section 254B.04, is amended by adding a subdivision to read:

Subd. 6a. **Span of eligibility.** The local agency must enter the financial eligibility span within five business days of a request. If the comprehensive assessment is completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date services were initiated. If the comprehensive assessment is not completed within the timelines required under chapter 245G, then the span of eligibility must begin on the date the comprehensive assessment was completed.

Sec. 22. Minnesota Statutes 2023 Supplement, section 254B.05, subdivision 1, is amended to read:

Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the commissioner are eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors, notwithstanding the provisions of section 245A.03. American Indian programs that provide substance use disorder treatment, extended care, transitional residence, or outpatient treatment services, and are licensed by Tribal government are eligible vendors.

(b) A licensed professional in private practice as defined in section 245G.01, subdivision 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible vendor of a comprehensive assessment ~~and assessment summary~~ provided according to section ~~245G.05~~ 254A.19, subdivision 3, and treatment services provided according to sections 245G.06 and 245G.07, subdivision 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).

(c) A county is an eligible vendor for a comprehensive assessment ~~and assessment summary~~ when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5, and completed according to the requirements of section ~~245G.05~~ 254A.19, subdivision 3. A county is an eligible vendor of care coordination services when provided by an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided according to the requirements of section 245G.07, subdivision 1, paragraph (a), clause (5). A county is an eligible vendor of peer recovery services when the services are provided by an individual who meets the requirements of section 245G.11, subdivision 8.

(d) A recovery community organization that meets the requirements of clauses (1) to (10) and meets ~~membership certification~~ or accreditation requirements of the ~~Association of Recovery Community Organizations, Alliance for Recovery Centered Organizations,~~ the Council on Accreditation of Peer Recovery Support Services, or a Minnesota statewide recovery community organization identified by the commissioner is an eligible vendor of peer support services. Eligible vendors under this paragraph must:

- (1) be nonprofit organizations;
- (2) be led and governed by individuals in the recovery community, with more than 50 percent of the board of directors or advisory board members self-identifying as people in personal recovery from substance use disorders;
- (3) primarily focus on recovery from substance use disorders, with missions and visions that support this primary focus;
- (4) be grassroots and reflective of and engaged with the community served;
- (5) be accountable to the recovery community through processes that promote the involvement and engagement of, and consultation with, people in recovery and their families, friends, and recovery allies;
- (6) provide nonclinical peer recovery support services, including but not limited to recovery support groups, recovery coaching, telephone recovery support, skill-building groups, and harm-reduction activities;
- (7) allow for and support opportunities for all paths toward recovery and refrain from excluding anyone based on their chosen recovery path, which may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based paths;
- (8) be purposeful in meeting the diverse needs of Black, Indigenous, and people of color communities, including board and staff development activities, organizational practices, service offerings, advocacy efforts, and culturally informed outreach and service plans;

(9) be stewards of recovery-friendly language that is supportive of and promotes recovery across diverse geographical and cultural contexts and reduces stigma; ~~and~~

(10) maintain an employee and volunteer code of ethics and easily accessible grievance procedures posted in physical spaces, on websites, or on program policies or forms;

(11) not classify or treat any recovery peer hired on or after July 1, 2024, as an independent contractor; and

(12) not classify or treat any recovery peer as an independent contractor on or after January 1, 2025.

(e) Recovery community organizations approved by the commissioner before June 30, 2023, shall retain their designation as recovery community organizations.

(f) A recovery community organization that is aggrieved by an accreditation or membership determination and believes it meets the requirements under paragraph (d) may appeal the determination under section 256.045, subdivision 3, paragraph (a), clause (15), for reconsideration as an eligible vendor.

(g) All recovery community organizations must be certified or accredited by an entity listed in paragraph (d) by June 30, 2025.

~~(g)~~ (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or nonresidential substance use disorder treatment or withdrawal management program by the commissioner or by Tribal government or do not meet the requirements of subdivisions 1a and 1b are not eligible vendors.

~~(h)~~ (i) Hospitals, federally qualified health centers, and rural health clinics are eligible vendors of a comprehensive assessment when the comprehensive assessment is completed according to section ~~245G.05~~ 254A.19, subdivision 3 and by an individual who meets the criteria of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol and drug counselor must be individually enrolled with the commissioner and reported on the claim as the individual who provided the service.

**EFFECTIVE DATE.** This section is effective August 1, 2024, except that paragraph (d), clauses (11) and (12), are effective July 1, 2024.

Sec. 23. Minnesota Statutes 2023 Supplement, section 254B.05, subdivision 5, is amended to read:

Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance use disorder services and service enhancements funded under this chapter.

(b) Eligible substance use disorder treatment services include:

(1) those licensed, as applicable, according to chapter 245G or applicable Tribal license and provided according to the following ASAM levels of care:

(i) ASAM level 0.5 early intervention services provided according to section 254B.19, subdivision 1, clause (1);

(ii) ASAM level 1.0 outpatient services provided according to section 254B.19, subdivision 1, clause (2);

(iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19, subdivision 1, clause (3);

(iv) ASAM level 2.5 partial hospitalization services provided according to section 254B.19, subdivision 1, clause (4);

(v) ASAM level 3.1 clinically managed low-intensity residential services provided according to section 254B.19, subdivision 1, clause (5). The commissioner shall use the base payment rate of \$79.84 per day for services provided under this item;

(vi) ASAM level 3.1 clinically managed low-intensity residential services according to section 254B.19, subdivision 1, clause (5), provided at 15 or more hours of skilled treatment services each week. The commissioner shall use the base payment rate of \$166.13 per day for services provided under this item;

(vii) ASAM level 3.3 clinically managed population-specific high-intensity residential services provided according to section 254B.19, subdivision 1, clause (6). The commissioner shall use the specified base payment rate of \$224.06 per day for services provided under this item; and

~~(vii)~~ (viii) ASAM level 3.5 clinically managed high-intensity residential services provided according to section 254B.19, subdivision 1, clause (7). The commissioner shall use the specified base payment rate of \$224.06 per day for services provided under this item;

(2) comprehensive assessments provided according to ~~sections 245.4863, paragraph (a), and 245G.05~~ section 254A.19, subdivision 3;

(3) treatment coordination services provided according to section 245G.07, subdivision 1, paragraph (a), clause (5);

(4) peer recovery support services provided according to section 245G.07, subdivision 2, clause (8);

(5) withdrawal management services provided according to chapter 245F;

(6) hospital-based treatment services that are licensed according to sections 245G.01 to 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to 144.56;

(7) substance use disorder treatment services with medications for opioid use disorder provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17 and 245G.22, or under an applicable Tribal license;

(8) medium-intensity residential treatment services that provide 15 hours of skilled treatment services each week and are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license;

~~(7)~~ (9) adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18 or as residential treatment programs according to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or applicable Tribal license;

~~(8)~~ (10) ASAM 3.5 clinically managed high-intensity residential services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7), and are provided by a state-operated vendor or to clients who have been civilly committed to the commissioner, present the most complex and difficult care needs, and are a potential threat to the community; and

~~(9)~~ (11) room and board facilities that meet the requirements of subdivision 1a.

(c) The commissioner shall establish higher rates for programs that meet the requirements of paragraph (b) and one of the following additional requirements:

(1) programs that serve parents with their children if the program:

(i) provides on-site child care during the hours of treatment activity that:

(A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter 9503;  
or

(B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

(ii) arranges for off-site child care during hours of treatment activity at a facility that is licensed under chapter 245A as:

(A) a child care center under Minnesota Rules, chapter 9503; or

(B) a family child care home under Minnesota Rules, chapter 9502;

(2) culturally specific or culturally responsive programs as defined in section 254B.01, subdivision 4a;

(3) disability responsive programs as defined in section 254B.01, subdivision 4b;

(4) programs that offer medical services delivered by appropriately credentialed health care staff in an amount equal to ~~two hours~~ one hour per client per week if the medical needs of the client and the nature and provision of any medical services provided are documented in the client file; or

(5) programs that offer services to individuals with co-occurring mental health and substance use disorder problems if:

(i) the program meets the co-occurring requirements in section 245G.20;

~~(ii) 25 percent of the counseling staff are licensed mental health professionals under section 245I.04, subdivision 2, or are students or licensing candidates under the supervision of a licensed alcohol and drug counselor supervisor and mental health professional under section 245I.04, subdivision 2, except that no more than 50 percent of the mental health staff may be students or licensing candidates with time documented to be directly related to provisions of co-occurring~~

services; (ii) the program employs a mental health professional as defined in section 245I.04, subdivision 2;

(iii) clients scoring positive on a standardized mental health screen receive a mental health diagnostic assessment within ten days of admission;

(iv) the program has standards for multidisciplinary case review that include a monthly review for each client that, at a minimum, includes a licensed mental health professional and licensed alcohol and drug counselor, and their involvement in the review is documented;

(v) family education is offered that addresses mental health and substance use disorder and the interaction between the two; and

(vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder training annually.

(d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program that provides arrangements for off-site child care must maintain current documentation at the substance use disorder facility of the child care provider's current licensure to provide child care services.

(e) Adolescent residential programs that meet the requirements of Minnesota Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements in paragraph (c), clause (4), items (i) to (iv).

(f) Subject to federal approval, substance use disorder services that are otherwise covered as direct face-to-face services may be provided via telehealth as defined in section 256B.0625, subdivision 3b. The use of telehealth to deliver services must be medically appropriate to the condition and needs of the person being served. Reimbursement shall be at the same rates and under the same conditions that would otherwise apply to direct face-to-face services.

(g) For the purpose of reimbursement under this section, substance use disorder treatment services provided in a group setting without a group participant maximum or maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one. At least one of the attending staff must meet the qualifications as established under this chapter for the type of treatment service provided. A recovery peer may not be included as part of the staff ratio.

(h) Payment for outpatient substance use disorder services that are licensed according to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless prior authorization of a greater number of hours is obtained from the commissioner.

(i) Payment for substance use disorder services under this section must start from the day of service initiation, when the comprehensive assessment is completed within the required timelines.

(j) A license holder that is unable to provide all residential treatment services because a client missed services remains eligible to bill for the client's intensity level of services under this paragraph if the license holder can document the reason the client missed services and the interventions done to address the client's absence.

(k) Hours in a treatment week may be reduced in observance of federally recognized holidays.



**EFFECTIVE DATE.** This section is effective August 1, 2024, except the amendments to paragraph (b), clauses (1) and (8), which are effective retroactively from January 1, 2024, with federal approval or retroactively from a later federally approved date. The commissioner of human services shall inform the revisor of statutes of the effective date upon federal approval.

Sec. 24. Minnesota Statutes 2023 Supplement, section 254B.181, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** All sober homes must comply with applicable state laws and regulations and local ordinances related to maximum occupancy, fire safety, and sanitation. In addition, all sober homes must:

(1) maintain a supply of an opiate antagonist in the home in a conspicuous location and post information on proper use;

(2) have written policies regarding access to all prescribed medications;

(3) have written policies regarding evictions;

(4) return all property and medications to a person discharged from the home and retain the items for a minimum of 60 days if the person did not collect them upon discharge. The owner must make an effort to contact persons listed as emergency contacts for the discharged person so that the items are returned;

(5) document the names and contact information for persons to contact in case of an emergency or upon discharge and notification of a family member, or other emergency contact designated by the resident under certain circumstances, including but not limited to death due to an overdose;

(6) maintain contact information for emergency resources in the community to address mental health and health emergencies;

(7) have policies on staff qualifications and prohibition against fraternization;

~~(8) have a policy on whether the use of medications for opioid use disorder is permissible permit residents to use, as directed by a licensed prescriber, legally prescribed and dispensed or administered pharmacotherapies approved by the United States Food and Drug Administration for the treatment of opioid use disorder;~~

(9) permit residents to use, as directed by a licensed prescriber, legally prescribed and dispensed or administered pharmacotherapies approved by the United States Food and Drug Administration to treat co-occurring substance use disorders and mental health conditions;

~~(9)~~ (10) have a fee schedule and refund policy;

~~(10)~~ (11) have rules for residents;

~~(11)~~ (12) have policies that promote resident participation in treatment, self-help groups, or other recovery supports;

~~(12)~~ (13) have policies requiring abstinence from alcohol and illicit drugs; and

~~(13)~~ (14) distribute the sober home bill of rights.

**EFFECTIVE DATE.** This section is effective January 1, 2025, except clause (9) is effective June 1, 2026.

Sec. 25. Minnesota Statutes 2023 Supplement, section 256B.0759, subdivision 2, is amended to read:

Subd. 2. **Provider participation.** (a) Programs licensed by the Department of Human Services as nonresidential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2025. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(b) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(c) Programs licensed by the Department of Human Services as residential treatment programs according to section 245G.21 that receive payment under this chapter ~~and~~<sup>2</sup> are licensed as a hospital under sections 144.50 to 144.581 ~~must~~, and provide only ASAM 3.7 medically monitored inpatient level of care are not required to enroll as demonstration project providers ~~and meet the requirements of subdivision 3 by January 1, 2025.~~ Programs meeting these criteria must submit evidence of providing the required level of care to the commissioner to be exempt from enrolling in the demonstration.

(d) Programs licensed by the Department of Human Services as withdrawal management programs according to chapter 245F that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(e) Out-of-state residential substance use disorder treatment programs that receive payment under this chapter must enroll as demonstration project providers and meet the requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment for services provided under section 256B.0625.

(f) Tribally licensed programs may elect to participate in the demonstration project and meet the requirements of subdivision 3. The Department of Human Services must consult with Tribal Nations to discuss participation in the substance use disorder demonstration project.

(g) The commissioner shall allow providers enrolled in the demonstration project before July 1, 2021, to receive applicable rate enhancements authorized under subdivision 4 for all services provided on or after the date of enrollment, except that the commissioner shall allow a provider to receive applicable rate enhancements authorized under subdivision 4 for services provided on or after July 22, 2020, to fee-for-service enrollees, and on or after January 1, 2021, to managed care enrollees, if the provider meets all of the following requirements:

(1) the provider attests that during the time period for which the provider is seeking the rate enhancement, the provider took meaningful steps in their plan approved by the commissioner to meet the demonstration project requirements in subdivision 3; and

(2) the provider submits attestation and evidence, including all information requested by the commissioner, of meeting the requirements of subdivision 3 to the commissioner in a format required by the commissioner.

(h) The commissioner may recoup any rate enhancements paid under paragraph (g) to a provider that does not meet the requirements of subdivision 3 by July 1, 2021.

Sec. 26. Minnesota Statutes 2022, section 256B.0759, subdivision 4, is amended to read:

**Subd. 4. Provider payment rates.** (a) Payment rates for participating providers must be increased for services provided to medical assistance enrollees. To receive a rate increase, participating providers must meet demonstration project requirements and provide evidence of formal referral arrangements with providers delivering step-up or step-down levels of care. Providers that have enrolled in the demonstration project but have not met the provider standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under this subdivision until the date that the provider meets the provider standards in subdivision 3. Services provided from July 1, 2022, to the date that the provider meets the provider standards under subdivision 3 shall be reimbursed at rates according to section 254B.05, subdivision 5, paragraph (b). Rate increases paid under this subdivision to a provider for services provided between July 1, 2021, and July 1, 2022, are not subject to recoupment when the provider is taking meaningful steps to meet demonstration project requirements that are not otherwise required by law, and the provider provides documentation to the commissioner, upon request, of the steps being taken.

(b) The commissioner may temporarily suspend payments to the provider according to section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements in paragraph (a). Payments withheld from the provider must be made once the commissioner determines that the requirements in paragraph (a) are met.

~~(e) For substance use disorder services under section 254B.05, subdivision 5, paragraph (b), clause (8), provided on or after July 1, 2020, payment rates must be increased by 25 percent over the rates in effect on December 31, 2019.~~

~~(c)~~ (c) For outpatient individual and group substance use disorder services under section 254B.05, subdivision 5, paragraph (b), clauses clause (1), ~~(6), and (7)~~; and adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on or after January 1, 2021, payment rates must be increased by 20 percent over the rates in effect on December 31, 2020.

~~(d)~~ (d) Effective January 1, 2021, and contingent on annual federal approval, managed care plans and county-based purchasing plans must reimburse providers of the substance use disorder services meeting the criteria described in paragraph (a) who are employed by or under contract with the plan an amount that is at least equal to the fee-for-service base rate payment for the substance use disorder services described in paragraphs paragraph (c) ~~and (d)~~. The commissioner must monitor the effect of this requirement on the rate of access to substance use disorder services and residential substance use disorder rates. Capitation rates paid to managed care organizations and county-based

purchasing plans must reflect the impact of this requirement. This paragraph expires if federal approval is not received at any time as required under this paragraph.

~~(f)~~(e) Effective July 1, 2021, contracts between managed care plans and county-based purchasing plans and providers to whom paragraph ~~(e)~~(d) applies must allow recovery of payments from those providers if, for any contract year, federal approval for the provisions of paragraph ~~(e)~~(d) is not received, and capitation rates are adjusted as a result. Payment recoveries must not exceed the amount equal to any decrease in rates that results from this provision.

(f) For substance use disorder services with medications for opioid use disorder under section 254B.05, subdivision 5, clause (7), provided on or after January 1, 2021, payment rates must be increased by 20 percent over the rates in effect on December 31, 2020. Upon implementation of new rates according to section 254B.121, the 20 percent increase will no longer apply.

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

Sec. 27. Laws 2021, First Special Session chapter 7, article 11, section 38, as amended by Laws 2022, chapter 98, article 4, section 50, is amended to read:

**Sec. 38. DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER TREATMENT PAPERWORK REDUCTION.**

(a) The commissioner of human services, in consultation with counties, tribes, managed care organizations, substance use disorder treatment professional associations, and other relevant stakeholders, shall develop, assess, and recommend systems improvements to minimize regulatory paperwork and improve systems for substance use disorder programs licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes, chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner of human services shall make available any resources needed from other divisions within the department to implement systems improvements.

(b) The commissioner of health shall make available needed information and resources from the Division of Health Policy.

(c) The Office of MN.IT Services shall provide advance consultation and implementation of the changes needed in data systems.

(d) The commissioner of human services shall contract with a vendor that has experience with developing statewide system changes for multiple states at the payer and provider levels. If the commissioner, after exercising reasonable diligence, is unable to secure a vendor with the requisite qualifications, the commissioner may select the best qualified vendor available. When developing recommendations, the commissioner shall consider input from all stakeholders. The commissioner's recommendations shall maximize benefits for clients and utility for providers, regulatory agencies, and payers.

(e) The commissioner of human services and the contracted vendor shall follow the recommendations from the report issued in response to Laws 2019, First Special Session chapter 9, article 6, section 76.

(f) ~~Within two years of contracting with a qualified vendor according to paragraph (d) By December 15, 2024,~~ the commissioner of human services shall take steps to implement paperwork reductions and systems improvements within the commissioner's authority and submit to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services a report that includes recommendations for changes in statutes that would further enhance systems improvements to reduce paperwork. The report shall include a summary of the approaches developed and assessed by the commissioner of human services and stakeholders and the results of any assessments conducted.

Sec. 28. **REPEALER.**

Minnesota Statutes 2022, section 245G.22, subdivision 4, is repealed.

**ARTICLE 5**

**DIRECT CARE AND TREATMENT**

Section 1. Minnesota Statutes 2022, section 246.71, subdivision 3, is amended to read:

Subd. 3. **Patient.** "Patient" means any person who is receiving treatment from or committed to a ~~secure state-operated treatment facility~~ program, including the Minnesota Sex Offender Program.

Sec. 2. Minnesota Statutes 2022, section 246.71, subdivision 4, is amended to read:

Subd. 4. **Employee of a ~~secure treatment facility~~ state-operated treatment program or employee.** "Employee of a ~~secure treatment facility~~ state-operated treatment program" or "employee" means an employee of ~~the Minnesota Security Hospital or a secure treatment facility operated by the Minnesota Sex Offender Program~~ any state-operated treatment program.

Sec. 3. Minnesota Statutes 2022, section 246.71, subdivision 5, is amended to read:

Subd. 5. **~~Secure treatment facility~~ State-operated treatment program.** "~~Secure treatment facility~~ State-operated treatment program" means ~~the Minnesota Security Hospital and the Minnesota Sex Offender Program facility in Moose Lake and any portion of the Minnesota Sex Offender Program operated by the Minnesota Sex Offender Program at the Minnesota Security Hospital~~ any state-operated treatment program under the jurisdiction of the executive board, including the Minnesota Sex Offender Program, community behavioral health hospitals, crisis centers, residential facilities, outpatient services, and other community-based services under the executive board's control.

Sec. 4. Minnesota Statutes 2022, section 246.711, is amended to read:

**246.711 CONDITIONS FOR APPLICABILITY OF PROCEDURES.**

Subdivision 1. **Request for procedures.** An employee of a ~~secure treatment facility~~ state-operated treatment program may request that the procedures of sections 246.71 to 246.722 be followed when the employee may have experienced a significant exposure to a patient.

Subd. 2. **Conditions.** The ~~secure treatment facility~~ state-operated treatment program shall follow the procedures in sections 246.71 to 246.722 when all of the following conditions are met:

(1) a licensed physician, advanced practice registered nurse, or physician assistant determines that a significant exposure has occurred following the protocol under section 246.721;

(2) the licensed physician, advanced practice registered nurse, or physician assistant for the employee needs the patient's blood-borne pathogens test results to begin, continue, modify, or discontinue treatment in accordance with the most current guidelines of the United States Public Health Service, because of possible exposure to a blood-borne pathogen; and

(3) the employee consents to providing a blood sample for testing for a blood-borne pathogen.

Sec. 5. Minnesota Statutes 2022, section 246.712, subdivision 1, is amended to read:

Subdivision 1. **Information to patient.** (a) Before seeking any consent required by the procedures under sections 246.71 to 246.722, a ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the patient's blood-borne pathogen test results, without the patient's name or other uniquely identifying information, shall be reported to the employee if requested and that test results collected under sections 246.71 to 246.722 are for medical purposes as set forth in section 246.718 and may not be used as evidence in any criminal proceedings or civil proceedings, except for procedures under sections 144.4171 to 144.4186.

(b) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient of the insurance protections in section 72A.20, subdivision 29.

(c) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the patient may refuse to provide a blood sample and that the patient's refusal may result in a request for a court order to require the patient to provide a blood sample.

(d) The ~~secure treatment facility~~ state-operated treatment program shall inform the patient that the ~~secure treatment facility~~ state-operated treatment program will advise the employee of a ~~secure treatment facility~~ state-operated treatment program of the confidentiality requirements and penalties before the employee's health care provider discloses any test results.

Sec. 6. Minnesota Statutes 2022, section 246.712, subdivision 2, is amended to read:

Subd. 2. **Information to ~~secure treatment facility~~ state-operated treatment program employee.** (a) Before disclosing any information about the patient, the ~~secure treatment facility~~ state-operated treatment program shall inform the employee of a ~~secure treatment facility~~ state-operated treatment program of the confidentiality requirements of section 246.719 and that the person may be subject to penalties for unauthorized release of test results about the patient under section 246.72.

(b) The ~~secure treatment facility~~ state-operated treatment program shall inform the employee of the insurance protections in section 72A.20, subdivision 29.

Sec. 7. Minnesota Statutes 2022, section 246.713, is amended to read:

**246.713 DISCLOSURE OF POSITIVE BLOOD-BORNE PATHOGEN TEST RESULTS.**

If the conditions of sections 246.711 and 246.712 are met, the ~~secure treatment facility~~ state-operated treatment program shall ask the patient if the patient has ever had a positive test for a blood-borne pathogen. The ~~secure treatment facility~~ state-operated treatment program must attempt to get existing test results under this section before taking any steps to obtain a blood sample or to test for blood-borne pathogens. The ~~secure treatment facility~~ state-operated treatment program shall disclose the patient's blood-borne pathogen test results to the employee without the patient's name or other uniquely identifying information.

Sec. 8. Minnesota Statutes 2022, section 246.714, is amended to read:

**246.714 CONSENT PROCEDURES GENERALLY.**

(a) For purposes of sections 246.71 to 246.722, whenever the ~~secure treatment facility~~ state-operated treatment program is required to seek consent, the ~~secure treatment facility~~ state-operated treatment program shall obtain consent from a patient or a patient's representative consistent with other law applicable to consent.

(b) Consent is not required if the ~~secure treatment facility~~ state-operated treatment program has made reasonable efforts to obtain the representative's consent and consent cannot be obtained within 24 hours of a significant exposure.

(c) If testing of available blood occurs without consent because the patient is unconscious or unable to provide consent, and a representative cannot be located, the ~~secure treatment facility~~ state-operated treatment program shall provide the information required in section 246.712 to the patient or representative whenever it is possible to do so.

(d) If a patient dies before an opportunity to consent to blood collection or testing under sections 246.71 to 246.722, the ~~secure treatment facility~~ state-operated treatment program does not need consent of the patient's representative for purposes of sections 246.71 to 246.722.

Sec. 9. Minnesota Statutes 2022, section 246.715, subdivision 1, is amended to read:

Subdivision 1. **Procedures with consent.** If a sample of the patient's blood is available, the ~~secure treatment facility~~ state-operated treatment program shall ensure that blood is tested for blood-borne pathogens with the consent of the patient, provided the conditions in sections 246.711 and 246.712 are met.

Sec. 10. Minnesota Statutes 2022, section 246.715, subdivision 2, is amended to read:

Subd. 2. **Procedures without consent.** If the patient has provided a blood sample, but does not consent to blood-borne pathogens testing, the ~~secure treatment facility~~ state-operated treatment program shall ensure that the blood is tested for blood-borne pathogens if the employee requests the test, provided all of the following criteria are met:

(1) the employee and ~~secure treatment facility~~ state-operated treatment program have documented exposure to blood or body fluids during performance of the employee's work duties;

(2) a licensed physician, advanced practice registered nurse, or physician assistant has determined that a significant exposure has occurred under section 246.711 and has documented that blood-borne

pathogen test results are needed for beginning, modifying, continuing, or discontinuing medical treatment for the employee as recommended by the most current guidelines of the United States Public Health Service;

(3) the employee provides a blood sample for testing for blood-borne pathogens as soon as feasible;

(4) the ~~secure treatment facility~~ state-operated treatment program asks the patient to consent to a test for blood-borne pathogens and the patient does not consent;

(5) the ~~secure treatment facility~~ state-operated treatment program has provided the patient and the employee with all of the information required by section 246.712; and

(6) the ~~secure treatment facility~~ state-operated treatment program has informed the employee of the confidentiality requirements of section 246.719 and the penalties for unauthorized release of patient information under section 246.72.

Sec. 11. Minnesota Statutes 2022, section 246.715, subdivision 3, is amended to read:

Subd. 3. **Follow-up.** The ~~secure treatment facility~~ state-operated treatment program shall inform the patient whose blood was tested of the results. The ~~secure treatment facility~~ state-operated treatment program shall inform the employee's health care provider of the patient's test results without the patient's name or other uniquely identifying information.

Sec. 12. Minnesota Statutes 2022, section 246.716, subdivision 1, is amended to read:

Subdivision 1. **Procedures with consent.** (a) If a blood sample is not otherwise available, the ~~secure treatment facility~~ state-operated treatment program shall obtain consent from the patient before collecting a blood sample for testing for blood-borne pathogens. The consent process shall include informing the patient that the patient may refuse to provide a blood sample and that the patient's refusal may result in a request for a court order under subdivision 2 to require the patient to provide a blood sample.

(b) If the patient consents to provide a blood sample, the ~~secure treatment facility~~ state-operated treatment program shall collect a blood sample and ensure that the sample is tested for blood-borne pathogens.

(c) The ~~secure treatment facility~~ state-operated treatment program shall inform the employee's health care provider about the patient's test results without the patient's name or other uniquely identifying information. The ~~secure treatment facility~~ state-operated treatment program shall inform the patient of the test results.

(d) If the patient refuses to provide a blood sample for testing, the ~~secure treatment facility~~ state-operated treatment program shall inform the employee of the patient's refusal.

Sec. 13. Minnesota Statutes 2022, section 246.716, subdivision 2, as amended by Laws 2024, chapter 79, article 2, section 58, is amended to read:

Subd. 2. **Procedures without consent.** (a) A ~~secure treatment facility~~ state-operated treatment program or an employee of a ~~secure treatment facility~~ state-operated treatment program may bring



a petition for a court order to require a patient to provide a blood sample for testing for blood-borne pathogens. The petition shall be filed in the district court in the county where the patient is receiving treatment from the ~~secure treatment facility~~ state-operated treatment program. The ~~secure treatment facility~~ state-operated treatment program shall serve the petition on the patient three days before a hearing on the petition. The petition shall include one or more affidavits attesting that:

(1) the ~~secure treatment facility~~ state-operated treatment program followed the procedures in sections 246.71 to 246.722 and attempted to obtain blood-borne pathogen test results according to those sections;

(2) a licensed physician, advanced practice registered nurse, or physician assistant knowledgeable about the most current recommendations of the United States Public Health Service has determined that a significant exposure has occurred to the employee of a ~~secure treatment facility~~ state-operated treatment program under section 246.721; and

(3) a physician, advanced practice registered nurse, or physician assistant has documented that the employee has provided a blood sample and consented to testing for blood-borne pathogens and blood-borne pathogen test results are needed for beginning, continuing, modifying, or discontinuing medical treatment for the employee under section 246.721.

(b) ~~Secure treatment facilities~~ State-operated treatment programs shall cooperate with petitioners in providing any necessary affidavits to the extent that facility staff can attest under oath to the facts in the affidavits.

(c) The court may order the patient to provide a blood sample for blood-borne pathogen testing if:

(1) there is probable cause to believe the employee of a ~~secure treatment facility~~ state-operated treatment program has experienced a significant exposure to the patient;

(2) the court imposes appropriate safeguards against unauthorized disclosure that must specify the persons who have access to the test results and the purposes for which the test results may be used;

(3) a licensed physician, advanced practice registered nurse, or physician assistant for the employee of a ~~secure treatment facility~~ state-operated treatment program needs the test results for beginning, continuing, modifying, or discontinuing medical treatment for the employee; and

(4) the court finds a compelling need for the test results. In assessing compelling need, the court shall weigh the need for the court-ordered blood collection and test results against the interests of the patient, including, but not limited to, privacy, health, safety, or economic interests. The court shall also consider whether involuntary blood collection and testing would serve the public interests.

(d) The court shall conduct the proceeding in camera unless the petitioner or the patient requests a hearing in open court and the court determines that a public hearing is necessary to the public interest and the proper administration of justice.

(e) The patient may arrange for counsel in any proceeding brought under this subdivision.

Sec. 14. Minnesota Statutes 2022, section 246.717, is amended to read:

**246.717 NO DISCRIMINATION.**

A ~~secure treatment facility~~ state-operated treatment program shall not withhold care or treatment on the requirement that the patient consent to blood-borne pathogen testing under sections 246.71 to 246.722.

Sec. 15. Minnesota Statutes 2022, section 246.721, as amended by Laws 2024, chapter 79, article 2, section 60, is amended to read:

**246.721 PROTOCOL FOR EXPOSURE TO BLOOD-BORNE PATHOGENS.**

(a) A ~~secure treatment facility~~ state-operated treatment program shall follow applicable Occupational Safety and Health Administration guidelines under Code of Federal Regulations, title 29, part 1910.1030, for blood-borne pathogens.

(b) Every ~~secure treatment facility~~ state-operated treatment program shall adopt and follow a postexposure protocol for employees at a ~~secure treatment facility~~ state-operated treatment program who have experienced a significant exposure. The postexposure protocol must adhere to the most current recommendations of the United States Public Health Service and include, at a minimum, the following:

(1) a process for employees to report an exposure in a timely fashion;

(2) a process for an infectious disease specialist, or a licensed physician, advanced practice registered nurse, or physician assistant who is knowledgeable about the most current recommendations of the United States Public Health Service in consultation with an infectious disease specialist, (i) to determine whether a significant exposure to one or more blood-borne pathogens has occurred, and (ii) to provide, under the direction of a licensed physician, advanced practice registered nurse, or physician assistant, a recommendation or recommendations for follow-up treatment appropriate to the particular blood-borne pathogen or pathogens for which a significant exposure has been determined;

(3) if there has been a significant exposure, a process to determine whether the patient has a blood-borne pathogen through disclosure of test results, or through blood collection and testing as required by sections 246.71 to 246.722;

(4) a process for providing appropriate counseling prior to and following testing for a blood-borne pathogen regarding the likelihood of blood-borne pathogen transmission and follow-up recommendations according to the most current recommendations of the United States Public Health Service for testing and treatment;

(5) a process for providing appropriate counseling under clause (4) to the employee of a ~~secure treatment facility~~ state-operated treatment program and to the patient; and

(6) compliance with applicable state and federal laws relating to data practices, confidentiality, informed consent, and the patient bill of rights.

Sec. 16. Minnesota Statutes 2022, section 246.722, is amended to read:

**246.722 IMMUNITY.**

A ~~secure treatment facility~~ state-operated treatment program, licensed physician, advanced practice registered nurse, physician assistant, and designated health care personnel are immune from liability in any civil, administrative, or criminal action relating to the disclosure of test results of a patient to an employee of a ~~secure treatment facility~~ state-operated treatment program and the testing of a blood sample from the patient for blood-borne pathogens if a good faith effort has been made to comply with sections 246.71 to 246.722.

Sec. 17. Laws 2023, chapter 61, article 8, section 13, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The task force shall consist of the following members, appointed as follows:

- (1) a member appointed by the governor;
- (2) the commissioner of human services, or a designee;
- (3) a member representing Department of Human Services direct care and treatment services who has experience with civil commitments, appointed by the commissioner of human services;
- (4) the ombudsman for mental health and developmental disabilities;
- (5) a hospital representative, appointed by the Minnesota Hospital Association;
- (6) a county representative, appointed by the Association of Minnesota Counties;
- (7) a county social services representative, appointed by the Minnesota Association of County Social Service Administrators;
- (8) a member appointed by the ~~Minnesota Civil Commitment Defense Panel~~ Hennepin County Commitment Defense Project;
- (9) a county attorney, appointed by the Minnesota County Attorneys Association;
- (10) a county sheriff, appointed by the Minnesota Sheriffs' Association;
- (11) a member appointed by the Minnesota Psychiatric Society;
- (12) a member appointed by the Minnesota Association of Community Mental Health Programs;
- (13) a member appointed by the National Alliance on Mental Illness Minnesota;
- (14) the Minnesota Attorney General;
- (15) three individuals from organizations representing racial and ethnic groups that are overrepresented in the criminal justice system, appointed by the commissioner of corrections; and
- (16) one member of the public with lived experience directly related to the task force's purposes, appointed by the governor.

(b) Appointments must be made no later than July 15, 2023.

(c) Member compensation and reimbursement for expenses are governed by Minnesota Statutes, section 15.059, subdivision 3.

(d) A member of the legislature may not serve as a member of the task force.

## ARTICLE 6

### MISCELLANEOUS

Section 1. Minnesota Statutes 2022, section 254A.03, subdivision 1, is amended to read:

Subdivision 1. **Alcohol and Other Drug Abuse Section.** There is hereby created an Alcohol and Other Drug Abuse Section in the Department of Human Services. This section shall be headed by a director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. The section shall:

(1) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and recovery of persons with substance misuse and substance use disorder;

(2) coordinate and review all activities and programs of all the various state departments as they relate to problems associated with substance misuse and substance use disorder;

(3) develop, demonstrate, and disseminate new methods and techniques for prevention, early intervention, treatment and recovery support for substance misuse and substance use disorder;

(4) gather facts and information about substance misuse and substance use disorder, and about the efficiency and effectiveness of prevention, treatment, and recovery support services from all comprehensive programs, including programs approved or licensed by the commissioner of human services or the commissioner of health or accredited by the Joint Commission on Accreditation of Hospitals. The state authority is authorized to require information from comprehensive programs which is reasonable and necessary to fulfill these duties. When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency. The state authority shall disseminate facts and summary information about problems associated with substance misuse and substance use disorder to public and private agencies, local governments, local and regional planning agencies, and the courts for guidance to and assistance in prevention, treatment and recovery support;

(5) inform and educate the general public on substance misuse and substance use disorder;

(6) serve as the state authority concerning substance misuse and substance use disorder by monitoring the conduct of diagnosis and referral services, research and comprehensive programs. The state authority shall submit a biennial report to the governor ~~and the legislature~~ containing a description of public services delivery and recommendations concerning increase of coordination and quality of services, and decrease of service duplication and cost;

(7) establish a state plan which shall set forth goals and priorities for a comprehensive continuum of care for substance misuse and substance use disorder for Minnesota. All state agencies operating

substance misuse or substance use disorder programs or administering state or federal funds for such programs shall annually set their program goals and priorities in accordance with the state plan. Each state agency shall annually submit its plans and budgets to the state authority for review. The state authority shall certify whether proposed services comply with the comprehensive state plan and advise each state agency of review findings;

(8) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation, statewide programs and services, research and demonstration projects, and American Indian programs;

(9) receive and administer money available for substance misuse and substance use disorder programs under the alcohol, drug abuse, and mental health services block grant, United States Code, title 42, sections 300X to 300X-9;

(10) solicit and accept any gift of money or property for purposes of Laws 1973, chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;

(11) with respect to substance misuse and substance use disorder programs serving the American Indian community, establish guidelines for the employment of personnel with considerable practical experience in substance misuse and substance use disorder, and understanding of social and cultural problems related to substance misuse and substance use disorder, in the American Indian community.

Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10, is amended to read:

Subd. 10. **Evaluation of information and data.** (a) The commissioner shall, within available resources, conduct research and gather data and information from existing state systems or other outside sources on the following items:

(1) differences in the underlying cost to provide services and care across the state;

(2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and

(3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.

(b) The commissioner, in consultation with stakeholders, shall review and evaluate the following values already in subdivisions 6 to 9, or issues that impact all services, including, but not limited to:

(1) values for transportation rates;

(2) values for services where monitoring technology replaces staff time;

(3) values for indirect services;

- (4) values for nursing;
- (5) values for the facility use rate in day services, and the weightings used in the day service ratios and adjustments to those weightings;
- (6) values for workers' compensation as part of employee-related expenses;
- (7) values for unemployment insurance as part of employee-related expenses;
- (8) direct care workforce labor market measures;
- (9) any changes in state or federal law with a direct impact on the underlying cost of providing home and community-based services;
- (10) outcome measures, determined by the commissioner, for home and community-based services rates determined under this section; and
- (11) different competitive workforce factors by service, as determined under subdivision 10b.

~~(e) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (a) and (b) on January 15, 2021, with a full report, and a full report once every four years thereafter.~~

~~(d)~~ (c) Beginning July 1, 2022, the commissioner shall renew analysis and implement changes to the regional adjustment factors once every six years. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.

Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10a, is amended to read:

Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the service. As determined by the commissioner, in consultation with stakeholders identified in subdivision 17, a provider enrolled to provide services with rates determined under this section must submit requested cost data to the commissioner to support research on the cost of providing services that have rates determined by the disability waiver rates system. Requested cost data may include, but is not limited to:

- (1) worker wage costs;
- (2) benefits paid;
- (3) supervisor wage costs;
- (4) executive wage costs;
- (5) vacation, sick, and training time paid;
- (6) taxes, workers' compensation, and unemployment insurance costs paid;

- (7) administrative costs paid;
- (8) program costs paid;
- (9) transportation costs paid;
- (10) vacancy rates; and
- (11) other data relating to costs required to provide services requested by the commissioner.

(b) At least once in any five-year period, a provider must submit cost data for a fiscal year that ended not more than 18 months prior to the submission date. The commissioner shall provide each provider a 90-day notice prior to its submission due date. If a provider fails to submit required reporting data, the commissioner shall provide notice to providers that have not provided required data 30 days after the required submission date, and a second notice for providers who have not provided required data 60 days after the required submission date. The commissioner shall temporarily suspend payments to the provider if cost data is not received 90 days after the required submission date. Withheld payments shall be made once data is received by the commissioner.

(c) The commissioner shall conduct a random validation of data submitted under paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation in paragraph (a) and provide recommendations for adjustments to cost components.

~~(d) The commissioner shall analyze cost data submitted under paragraph (a) and, in consultation with stakeholders identified in subdivision 17, may submit recommendations on component values and inflationary factor adjustments to the chairs and ranking minority members of the legislative committees with jurisdiction over human services once every four years beginning January 1, 2021. The commissioner shall make recommendations in conjunction with reports submitted to the legislature according to subdivision 10, paragraph (e).~~ The commissioner shall release cost data in an aggregate form. Cost data from individual providers must not be released except as provided for in current law.

(e) The commissioner shall use data collected in paragraph (a) to determine the compliance with requirements identified under subdivision 10d. The commissioner shall identify providers who have not met the thresholds identified under subdivision 10d on the Department of Human Services website for the year for which the providers reported their costs.

Sec. 4. Minnesota Statutes 2022, section 256B.69, subdivision 5k, is amended to read:

Subd. 5k. **Actuarial soundness.** ~~(a)~~ Rates paid to managed care plans and county-based purchasing plans shall satisfy requirements for actuarial soundness. In order to comply with this subdivision, the rates must:

- (1) be neither inadequate nor excessive;
- (2) satisfy federal requirements;
- (3) in the case of contracts with incentive arrangements, not exceed 105 percent of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement;

(4) be developed in accordance with generally accepted actuarial principles and practices;

(5) be appropriate for the populations to be covered and the services to be furnished under the contract; and

(6) be certified as meeting the requirements of federal regulations by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board.

~~(b) Each year within 30 days of the establishment of plan rates the commissioner shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division to certify how each of these conditions have been met by the new payment rates.~~

Sec. 5. Minnesota Statutes 2022, section 402A.16, subdivision 2, is amended to read:

Subd. 2. **Duties.** The Human Services Performance Council shall:

(1) hold meetings at least quarterly that are in compliance with Minnesota's Open Meeting Law under chapter 13D;

(2) annually review the annual performance data submitted by counties or service delivery authorities;

(3) review and advise the commissioner on department procedures related to the implementation of the performance management system and system process requirements and on barriers to process improvement in human services delivery;

(4) advise the commissioner on the training and technical assistance needs of county or service delivery authority and department personnel;

(5) review instances in which a county or service delivery authority has not made adequate progress on a performance improvement plan and make recommendations to the commissioner under section 402A.18;

(6) consider appeals from counties or service delivery authorities that are in the remedies process and make recommendations to the commissioner on resolving the issue;

(7) convene working groups to update and develop outcomes, measures, and performance thresholds for the performance management system and, on an annual basis, present these recommendations to the commissioner, including recommendations on when a particular essential human services program has a balanced set of program measures in place;

(8) make recommendations on human services administrative rules or statutes that could be repealed in order to improve service delivery; and

(9) provide information to stakeholders on the council's role and regularly collect stakeholder input on performance management system performance; and.



~~(10) submit an annual report to the legislature and the commissioner, which includes a comprehensive report on the performance of individual counties or service delivery authorities as it relates to system measures; a list of counties or service delivery authorities that have been required to create performance improvement plans and the areas identified for improvement as part of the remedies process; a summary of performance improvement training and technical assistance activities offered to the county personnel by the department; recommendations on administrative rules or state statutes that could be repealed in order to improve service delivery; recommendations for system improvements, including updates to system outcomes, measures, and thresholds; and a response from the commissioner.~~

Sec. 6. **REPEALER.**

Minnesota Statutes 2022, sections 245G.011, subdivision 5; 252.34; and 256.01, subdivision 39, are repealed."

Delete the title and insert:

"A bill for an act relating to human services; modifying and establishing laws regarding disability services, aging services, and substance use disorder treatment services; modernizing language in the Deaf and Hard-of-Hearing Services Act; expanding application of bloodborne pathogen testing to nonsecure direct care and treatment programming; making technical corrections and repealing obsolete language; amending Minnesota Statutes 2022, sections 144A.20, subdivision 4; 144G.30, subdivision 5; 144G.45, subdivision 3; 148F.025, subdivision 2; 245A.11, subdivision 2, as amended; 245D.071, subdivisions 3, 4; 245D.081, subdivisions 2, 3; 245D.09, subdivision 3; 245D.091, subdivisions 3, 4; 245D.10, subdivision 1; 245F.02, subdivisions 17, 21; 245F.08, subdivision 3; 245F.15, subdivision 7; 245G.031, subdivision 2; 245G.04, by adding a subdivision; 245G.22, subdivisions 6, 7; 246.71, subdivisions 3, 4, 5; 246.711; 246.712, subdivisions 1, 2; 246.713; 246.714; 246.715, subdivisions 1, 2, 3; 246.716, subdivisions 1, 2, as amended; 246.717; 246.721, as amended; 246.722; 254A.03, subdivision 1; 254B.03, subdivision 4; 256.975, subdivision 7e; 256B.0659, subdivision 17a; 256B.0759, subdivision 4; 256B.0911, subdivision 24; 256B.092, by adding a subdivision; 256B.49, by adding a subdivision; 256B.4905, subdivision 12; 256B.69, subdivision 5k, by adding a subdivision; 256B.85, subdivisions 2, 6, 6a, 7a, 11, 17, 20, by adding a subdivision; 256C.21; 256C.23, subdivisions 1a, 2, 2a, 2b, 2c, 6, 7, by adding a subdivision; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, 3; 256C.26; 256C.261; 256C.28, subdivision 1; 256R.08, subdivision 1, by adding a subdivision; 402A.16, subdivision 2; Minnesota Statutes 2023 Supplement, sections 245G.05, subdivision 3; 245G.09, subdivision 3; 245G.11, subdivision 10; 245G.22, subdivisions 2, 17; 245I.04, subdivision 18; 254A.19, subdivision 3; 254B.04, subdivisions 1a, 2a, 6, by adding a subdivision; 254B.05, subdivisions 1, 5; 254B.181, subdivision 1; 256B.057, subdivision 9; 256B.0659, subdivision 24; 256B.0759, subdivision 2; 256B.4914, subdivisions 4, 10, 10a; 256B.85, subdivision 13a; Laws 2021, First Special Session chapter 7, article 11, section 38, as amended; article 13, section 75; Laws 2023, chapter 61, article 8, section 13, subdivision 2; repealing Minnesota Statutes 2022, sections 245G.011, subdivision 5; 245G.22, subdivision 4; 252.34; 256.01, subdivision 39; 256.975, subdivisions 7f, 7g; 256R.18."

We request the adoption of this report and repassage of the bill.

Senate Conferees: John Hoffman, Alice Mann, Paul Utke

House Conferees: Peter Fischer, Luke Frederick, Dave Baker

Senator Hoffman moved that the foregoing recommendations and Conference Committee Report on S.F. No. 4399 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 4399 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 7, as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Bahr	Eichorn	Lucero	Westrom
Drazkowski	Koran	Wesenberg	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 4579 and the Conference Committee Report thereon were reported to the Senate.

### **CONFERENCE COMMITTEE REPORT ON S.F. No. 4579**

A bill for an act relating to energy; providing for and regulating shared-metered utility service in residential buildings; amending Minnesota Statutes 2022, sections 216B.022; 216B.098, subdivision 6; 504B.285, subdivision 4; Minnesota Statutes 2023 Supplement, section 216B.172, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 216B; 504B; repealing Minnesota Statutes 2022, section 504B.215.

May 10, 2024

The Honorable Bobby Joe Champion  
President of the Senate

The Honorable Melissa Hortman  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 4579 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 4579 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 216B.022, is amended to read:

**216B.022 SUBMETERING IN SHARED-METERED RESIDENTIAL BUILDINGS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section and sections 216B.023 and 216B.024, the following terms have the meanings given.

(b) "Landlord" has the meaning given in section 504B.001, subdivision 7. Landlord includes a third-party billing agent.

(c) "Nonresidential building" means a building that is not a residential building.

(d) "Nonusage charges" means the total of the charges on the utility bill from a utility provider that represent all nonconsumption-based charges and fees, including but not limited to fixed-meter or service charges, taxes, surcharges, and other fees.

(e) "Shared-metered residential building" means a residential building with multiple separate residential dwelling units where the building's utility service is measured by fewer meters than the number of separate dwelling units in the building. Shared-metered residential building does not include a manufactured home park.

(f) "Submeter" means a meter that (1) is owned or installed by the landlord or by a third-party billing agent or other agent of the landlord, and (2) measures utility service consumed solely within an individual dwelling unit in the shared-metered residential building.

(g) "Tenant" means a person who is occupying a dwelling unit in a shared-metered residential building under a lease or contract, whether oral or written, that requires the payment of money or exchange of services. Tenant includes all other regular occupants of the subject dwelling unit.

(h) "Third-party billing agent" means a person or entity, other than the property owner, that performs one or more utility management services at a shared-metered residential building on behalf of a landlord, including but not limited to installing submeters, reading submeters, or handling utility billing or collections, or both.

(i) "Utility provider" means a public utility, a municipal utility, or a cooperative electric association providing utility service.

(j) "Utility service" means natural gas and electricity.

Subd. 2. **Submetering in shared-metered residential buildings.** (a) A landlord of a shared-metered residential building with installed submeters is subject to the commission's authority under this chapter.

(b) On or after January 1, 2025, all submeters installed by a landlord to measure utility service must meet standards established by the American National Standards Institute.

(c) All submeters, regardless of when the submeter was installed, must accurately measure utility service.

Subd. 3. **Submetering in nonresidential buildings.** Nothing in this chapter grants the commission or a public utility the authority to limit the availability of submetering to a nonresidential building occupant when the building is served by a public utility's master meter which measures the total electric energy delivered to the building.

Subd. 4. **Inaccurate submeters.** (a) If a tenant notifies the landlord in writing that the tenant suspects the submeter is incorrectly registering the tenant's utility service and includes an explanation for the suspicion, the landlord must promptly investigate to determine whether the submeter is inaccurate. If the submeter is inaccurate, the landlord must either repair or replace the submeter or inform the tenant in writing why no corrective action is believed necessary.

(b) If the inaccurate submeter has resulted in an overcharge, the landlord must promptly refund the difference between what the tenant paid and what the tenant would have paid if the submeter had correctly registered the tenant's utility service.

(c) If the inaccurate submeter has resulted in an undercharge, the landlord may bill the tenant the difference between what the tenant paid and what the tenant would have paid if the submeter had correctly registered the tenant's utility service for a period not exceeding the previous six months. Any undercharge the landlord seeks to collect must be recovered in accordance with section 216B.023, subdivision 8.

(d) If a tenant has notified the landlord that the tenant suspects the tenant's submeter is incorrectly registering the tenant's utility service as provided in paragraph (a) and the landlord has failed within a reasonable time to check the submeter and provide the tenant with the results of a meter test demonstrating the submeter is accurate, the landlord is prohibited from recovering from the tenant any undercharge for the period between the date of the tenant's notification and the date the submeter was checked.

Subd. 5. **Submeter fees.** A landlord is prohibited from charging to or collecting from tenants any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense is due to the tenant's willful, malicious, or negligent conduct. Nothing in this subdivision prevents the landlord from imposing a late payment charge, as provided under section 216B.023, subdivision 6, or an administrative billing charge, as provided under section 216B.023, subdivision 4.

Sec. 2. [216B.023] SHARED-METERED RESIDENTIAL BUILDINGS; BILLING; CONSUMER PROTECTIONS.

Subdivision 1. **Billing requirements for submetered service.** (a) If utility service is submetered, utility bills provided by landlords to tenants must be based on actual submeter readings. If natural gas service is apportioned, landlords must comply with section 504B.216, subdivisions 5 and 6.

(b) Landlords are prohibited from billing submetered tenants or tenants whose natural gas service is apportioned less frequently than the landlord is billed by the utility. Landlords must include in the lease, or provide a written statement at the outset of the lease term, notice of when utility bills will be issued.

(c) Landlords must include the following information on each submetered utility service bill:

(1) the present and last preceding submeter readings;

(2) the date of the present reading;

(3) the rate at which the utility service is being billed, the amount of the service billed at the rate, and the rate at which the landlord is being billed by the utility provider for the utility service;

(4) the tenant's portion of taxes and surcharges;

(5) if any, the portion of any bill credit the landlord received from the utility provider that is credited to the tenant;

(6) any administrative billing charge, as provided in subdivision 4;

(7) the total amount of the bill; and

(8) the date by which payment is due; the date after which, if the bill is not paid, a late payment charge may be imposed; and the amount of the charge, if any, as provided in subdivision 6.

Subd. 2. **Separate billing for electricity.** (a) A landlord who bills a tenant separately from rent for electricity service (1) must not apportion the service; (2) must comply with this section, section 216B.022, and applicable provisions of section 504B.216; and (3) is subject to section 216B.024.

(b) A landlord who submeters electricity must:

(1) charge only for the electricity used in the tenant's unit, calculated by multiplying the kilowatt-hours used during the billing period, as measured by the submeter, by the rate charged to the landlord by the utility provider. A landlord must not charge a tenant for electricity consumed in common areas or in spaces used exclusively or primarily by the landlord;

(2) charge a tenant only for the tenant's pro rata share of nonusage charges, calculated by dividing the charges the landlord is billed by the utility provider equally among the number of units in the building; and

(3) deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility provider by dividing the credit or adjustment equally among the number of units in the building.

Subd. 3. **Separate billing for natural gas.** (a) A landlord who submeters natural gas service must bill tenants according to the methodology described in subdivision 2, paragraph (b), and comply with:

(1) subdivision 1, paragraph (c);

(2) section 216B.022; and

(3) applicable provisions of section 504.216.

(b) A landlord who submeters or apportions natural gas service (1) must comply with subdivisions 4 to 8, and (2) is subject to section 216B.024.

Subd. 4. **Administrative billing charge.** A landlord who bills separately from rent for utility service may impose an administrative billing charge, as provided in section 504B.216, subdivision 8. No other fees or charges may be imposed on or collected from tenants for utility service, except as otherwise provided in subdivision 6 and section 216B.022, subdivision 5.

Subd. 5. **Billing errors.** (a) If a billing error occurs that has resulted in an overcharge, the landlord must promptly refund the difference between what the tenant paid and what the tenant would have paid but for the error.

(b) If a billing error has occurred that has resulted in an undercharge, the landlord may bill the tenant for the difference between what the tenant paid and what the tenant would have paid but for the billing error, for a period not exceeding six months. Any undercharge must be recovered in accordance with subdivision 8.

Subd. 6. **Late payment charge.** A late payment charge may be imposed as provided under section 504B.216, subdivision 9. No other fees or charges may be imposed on or collected from tenants for utility service, except as otherwise provided in subdivision 4 and section 216B.022, subdivision 5.

Subd. 7. **Payment plans.** A landlord must offer a payment plan for overdue utility service bills. The plan must be reasonable and take into account the tenant's financial circumstances and any extenuating circumstances that are voluntarily disclosed by the tenant. If the landlord and tenant cannot agree on a mutually acceptable payment plan, the landlord must inform the tenant of the right to seek assistance from the commission's consumer affairs office in resolving the dispute and provide the tenant the office's current telephone number and email address.

Subd. 8. **Undercharges.** A landlord must offer a payment plan to tenants who have been undercharged if no culpable conduct by the tenant or member of the tenant's household caused the undercharge. The agreement must cover a period equal to the time over which the undercharge occurred or a different time period that is mutually agreeable to the tenant and the landlord. No interest or delinquency fee may be charged as part of a payment plan under this subdivision.

Sec. 3. [216B.024] SHARED-METERED RESIDENTIAL BUILDINGS; DISPUTE RESOLUTION.

A tenant disputing a bill or claiming a violation of section 216B.022 or 216B.023 must first attempt to resolve the dispute or claim with the landlord. If the tenant disagrees with the landlord's proposed resolution, the landlord must notify the tenant of the tenant's right to file a complaint with the commission's consumer affairs office and provide the tenant the office's current telephone number and email address. The consumer affairs office must follow the procedures set forth in section 216B.172, subdivision 2, and Minnesota Rules, part 7829.1600, and the procedures under section 216B.172, subdivisions 3 and 4, apply.

Sec. 4. Minnesota Statutes 2022, section 216B.098, subdivision 6, is amended to read:

Subd. 6. **Commission authority.** (a) In addition to any other authority, the commission has the authority to resolve customer complaints against a public utility, ~~as defined in section 216B.02, subdivision 4~~ or a landlord of a shared-metered residential building, whether or not the complaint involves a violation of this chapter. The commission may delegate this authority to commission staff as it deems appropriate.

(b) The commission has the authority to levy a penalty of not less than \$100 and not more than \$1,000 for each violation of section 216B.022, 216B.023, or 216B.024 with respect to complaints filed by tenants. Nothing in this chapter limits the right of a tenant to seek or obtain judicial remedies.

(c) For the purposes of this subdivision:

(1) "landlord" has the meaning given in section 216B.022, subdivision 1, paragraph (b);

(2) "public utility" has the meaning given in section 216B.02, subdivision 4; and

(3) "shared-metered residential building" has the meaning given in section 216B.022, subdivision 1, paragraph (e).

Sec. 5. Minnesota Statutes 2023 Supplement, section 216B.172, subdivision 1, is amended to read:

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

(b) "Appeal" means a request a complainant files with the commission to review and make a final decision regarding the resolution of the complainant's complaint by the consumer affairs office.

(c) "Complainant" means an individual residential customer or a tenant who files with the consumer affairs office a complaint against a public utility or a landlord of a shared-metered residential building.

(d) "Complaint" means an allegation submitted to the consumer affairs office by a complainant that a public utility's or a landlord's action or practice regarding billing or terms and conditions of service:

(1) violates a statute, rule, tariff, service contract, or other provision of law;

(2) is unreasonable; or

(3) has harmed or, if not addressed, harms a complainant.

Complaint does not include an objection to or a request to modify any natural gas or electricity rate contained in a tariff that has been approved by the commission. A complaint under this section is an informal complaint under Minnesota Rules, chapter 7829.

(e) "Consumer affairs office" means the staff unit of the commission that is organized to receive and respond to complaints.

(f) "Informal proceeding" has the meaning given in Minnesota Rules, part 7829.0100, subpart 8.

(g) "Landlord" means an owner of a shared-metered residential building, a contract for deed vendee, receiver, executor, trustee, lessee, agent, or other person directly or indirectly in control of the shared-metered residential building that bills separately for natural gas or electricity, or both.

(h) "Public assistance" has the meaning given in section 550.37, subdivision 14.

~~(h)~~ (i) "Public utility" has the meaning given in section 216B.02, subdivision 4.

(j) "Shared-metered residential building" has the meaning given in section 216B.022, subdivision 1, paragraph (e).

(k) "Tenant" has the meaning given in section 216B.022, subdivision 1, paragraph (g).

(l) "Third-party billing agent" has the meaning given in section 216B.022, subdivision 1, paragraph (h).

Sec. 6. Minnesota Statutes 2023 Supplement, section 216B.172, subdivision 2, is amended to read:

Subd. 2. **Complaint resolution procedure.** A complainant must first attempt to resolve a dispute with a public utility or a landlord. If a complainant is dissatisfied with the proposed resolution by the public utility or the landlord, the complainant may seek assistance of the commission to resolve the dispute by filing a complaint with the consumer affairs office. The consumer affairs office must: (1) notify the complainant of the resolution of the complaint; and (2) provide written notice of (i) the complainant's right to appeal the resolution to the commission, and (ii) the steps the complainant may take to appeal the resolution. Upon request, the consumer affairs office must provide to the complainant a written notice containing the substance of and basis for the resolution. Nothing in this section affects any other rights existing under this chapter or other law.

Sec. 7. [504B.216] UTILITY SERVICE IN SHARED-METERED RESIDENTIAL BUILDINGS.

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



(b) "Directly metered tenant" means a tenant who receives utility service directly from, is billed directly by, and is a customer of the utility provider.

(c) "Landlord" has the meaning given in section 504B.001, subdivision 7. For the purposes of this section, landlord includes a third-party billing agent.

(d) "Nonusage charges" means the total of the charges on a utility bill from a utility provider that represent all nonconsumption-based charges and fees, including but not limited to fixed-meter or service charges, taxes, surcharges, and other fees.

(e) "Shared-metered residential building" means a building with multiple separate residential dwelling units where the building's utility service is measured by fewer meters than the number of separate dwelling units in the building. Shared-metered residential building does not include a manufactured home park.

(f) "Submeter" means a meter that (1) is owned by a landlord and installed by the landlord or by a third-party billing agent or other agent, and (2) measures utility service consumed solely within an individual dwelling unit in the shared-metered residential building.

(g) "Third-party billing agent" means a person or entity, other than the property owner, that performs one or more utility management services at a shared-metered residential building on behalf of a landlord, including but not limited to installing submeters, reading submeters, or handling utility billing or collections, or both.

(h) "Utility provider" means a public utility, a municipal utility, a cooperative electric association, or a local municipal water company providing utility service.

(i) "Utility service" means natural gas, electricity, or water and sewer.

**Subd. 2. Landlord is bill payer and customer of record.** (a) The landlord of a shared-metered residential building must be the bill payer responsible and must be the customer of record contracting with a utility provider for utility service. The landlord must advise the utility provider that the utility services apply to a shared-metered residential building.

(b) A landlord is prohibited from removing a directly metered tenant from the tenant's existing utility account or requesting that a utility remove the tenant from the tenant's existing utility account.

(c) This subdivision may not be waived by contract or otherwise.

**Subd. 3. Submetering of electricity and natural gas.** A landlord who submeters natural gas or electricity (1) must comply with this section and sections 216B.022 and 216B.023, and (2) is subject to section 216B.024.

**Subd. 4. Submetering of water.** (a) On or after January 1, 2025, any submeters installed by a landlord to measure water and sewer usage must comply with standards established by the local municipal water company for meters the company uses to measure water and sewer service provided to the company's customers.

(b) All submeters, regardless of when the submeter was installed, must accurately measure utility service. Landlords are prohibited from billing submetered tenants less frequently than the landlord is billed by the utility.

(c) A landlord who submeters water must:

(1) bill tenants according to section 216B.023, subdivision 1;

(2) charge tenants according to section 216B.023, subdivision 2, paragraph (b); and

(3) comply with sections 216B.022, subdivision 4, and 216B.023, subdivisions 5, 7, and 8.

(d) A landlord must not charge to or collect from tenants any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense is due to the tenant's willful, malicious, or negligent conduct. Nothing in this subdivision prevents the landlord from imposing a late payment charge, as provided under subdivision 9, or an administrative billing charge, as provided under subdivision 8.

Subd. 5. **Apportionment generally.** (a) Apportionment of electricity is prohibited.

(b) Landlords must not bill tenants for apportioned utility service under this section less frequently than the landlord is billed by the utility.

(c) A landlord who apportions utility service must, upon a tenant's request, provide:

(1) a copy of the current actual natural gas or water and sewer utility bill from the utility provider that is being apportioned; and

(2) a copy of past natural gas or water and sewer utility bills for which the tenant received an apportioned utility bill for the preceding two years or from the time the current landlord acquired the building, whichever is the most recent.

(d) A landlord must include in the lease or in a separate written notice a list of the tenant's rights under paragraph (c).

(e) A landlord who apportions utility service must comply with section 216B.023, subdivisions 5, 7, and 8. A landlord who apportions natural gas is also subject to section 216B.024.

Subd. 6. **Apportionment of natural gas.** (a) A landlord may apportion and bill for natural gas usage and nonusage charges only as provided in this subdivision.

(b) A tenant's apportioned natural gas bill must be based on the previous billing period's actual natural gas bills from the utility provider, allocated to each unit based on the square footage in the tenant's unit as a proportion of square footage of all the units in the building.

(c) A landlord must not charge any tenant for natural gas consumed in common areas, spaces used exclusively or primarily by the landlord, or any vacant unit.

(d) A landlord must deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility.

Subd. 7. **Apportionment of water and sewer.** (a) A landlord may apportion water and sewer utility service and nonusage charges only as provided in this subdivision.

(b) A tenant's apportioned water and sewer bill must be based on the previous period's water and sewer bills from the utility provider, allocated to each unit based on the number of tenants listed on the lease as a proportion of the occupancy of all the units as listed on the leases in the building.

(c) A landlord must not charge any tenant for water and sewer usage in common areas; in spaces used exclusively or primarily by the landlord; in vacant units; for maintenance of the property; or for shared amenities, including but not limited to laundry facilities and pools.

(d) A landlord must deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility.

Subd. 8. **Administrative billing charge.** A landlord who bills separately from rent for any utility service may charge a tenant a single administrative billing charge per billing period for all the utilities that are separately billed. The administrative billing charge must not exceed \$8. Except as provided in subdivision 9, no other fees or charges may be imposed on or collected from tenants for utility service, including but not limited to any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense involving a submeter is due to the tenant's willful, malicious, or negligent conduct.

Subd. 9. **Late payment charge; compounding late fees prohibited.** A landlord may impose one late payment charge per billing period if a tenant's utility bill payment is not received by the landlord by the next scheduled billing date. The late payment charge for all utilities billed must not exceed \$5 per month. Late fees must not be compounded.

Subd. 10. **Disclosure in lease of apportionment billing formula.** If natural gas or water and sewer is apportioned, leases entered into or renewed on or after January 1, 2025, must include an attachment with the following notice:

### "UTILITY BILLS

#### How Will My Bill be Calculated?

1. Your utility bill is for your portion of the building's natural gas or water and sewer usage, plus your portion of nonusage fees we get charged by the utility (for example, taxes and surcharges).

For natural gas, your portion is based on the square footage of your unit as a percentage of the square footage of all the units.

For water and sewer, your portion is based on the number of people in your unit (as listed on your lease) as a percentage of all the occupants of all units.

2. You are not charged for utilities used in the common areas or used in our spaces. In the case of water, your bill does not include usage for shared amenities such as laundry rooms or pools.

3. Your bill may include a late payment charge, which is capped at \$5, and an administrative billing charge, which is capped at \$8.

**What If I Fall Behind on Utility Payments or Have a Question About My Bill?**

1. If you fall behind on your payments, you have the right to a reasonable payment plan that you and we mutually agree on to pay off the amount you owe. The plan must take into account any financial and extenuating circumstances of your household that you tell us about.

2. You may request, and we will timely provide, the utility bill we received from the utility company and your percentage of the amount of the bill apportioned to tenants.

3. We must first try to resolve any disputes about your natural gas or electricity utility charges, including those about payment agreements. If we cannot agree on a payment plan or resolve any other dispute, you have the right to seek assistance from the Public Utilities Commission's Consumer Affairs Office at 651-296-0406 or [consumer.puc@state.mn.us](mailto:consumer.puc@state.mn.us)."

Subd. 11. **Verification of apportioned bills.** No later than July 1, 2025, an organization representing landlords shall work with organizations representing tenants and other relevant groups and agencies to determine the steps necessary to, on each apportioned utility bill rendered under leases entered into or renewed on or after July 1, 2026, enable a tenant to understand how the tenant's utility bill was calculated and to verify that the calculation is accurate.

Subd. 12. **Disconnection of utility service prohibited.** (a) Disconnection of a tenant's utility service by a landlord for the failure to pay utility service charges is prohibited. Nothing in this subdivision prohibits a public utility, a municipal utility, or a cooperative electric association from disconnecting service to a landlord's building as otherwise provided by law.

(b) If a landlord asserts a tenant owes rent and utilities, sums paid by the tenant to the landlord must first be applied to unpaid rent.

(c) Except as provided in paragraph (d), a landlord may bring a claim for breach of lease under section 504B.285, subdivision 4, for the failure of a tenant to pay for utilities billed separately from rent as provided under this section.

(d) Notwithstanding paragraph (c):

(1) a landlord may not bring a claim for breach unless the landlord has offered the tenant a payment plan under section 216B.023, subdivision 7, and the tenant has failed to make two consecutive payments on the plan; and

(2) an eviction action may not be filed and any eviction already filed must be stayed:

(i) for the failure to pay natural gas or electric utility service charges during the cold weather period;

(ii) for the failure to pay electric utility charges during a heat emergency; and

(iii) if the tenant notifies the landlord or the court that the tenant or a member of the tenant's household is experiencing a medical emergency, or where medical equipment requiring electricity necessary to sustain life is in use and certification of the emergency is provided to the landlord or the court by a licensed medical health care professional within five days of notification to the landlord or the court.

(e) If the failure to pay natural gas or electric utility charges occurs during the cold weather period, or in the event of a medical emergency or where medical equipment requiring electricity necessary to sustain life is in use, a landlord must follow the procedures set forth in section 216B.023, subdivision 7.

(f) A violation of this subdivision is a violation of section 504B.221.

(g) For the purposes of this subdivision:

(1) "cold weather period" has the meaning given in section 216B.096, subdivision 2;

(2) "disconnection" includes installation of a service or load limiter or any device that limits or interrupts utility service in any way; and

(3) "heat emergency" means any period when an excessive heat watch, heat advisory, or excessive heat warning issued by the National Weather Service is in effect.

**Subd. 13. Procedure where landlord defaults on payments to the utility.** (a) A utility provider supplying natural gas, electricity, or water and sewer, or another company supplying home heating oil or propane, to a building who issues a final notice proposing to disconnect or discontinue the service to the building because a landlord who has contracted for the service has failed to pay for the service, or because a landlord is required by law or contract to pay for the service and fails to do so, must provide notice to the residents of the impending disconnection by posting in the building. The posting must be placed in at least one conspicuous location in or on the building and provide tenants with, at a minimum, the following information:

(1) the date the service will be discontinued;

(2) the telephone number to call the utility to obtain further information;

(3) a brief description of the rights of tenants under this section to continue or restore service; and

(4) advice to consider seeking assistance from legal aid, a private attorney, or a housing organization in exercising the tenant rights under Minnesota law to maintain utility service.

A tenant or group of tenants may pay to have the service continued or reconnected as provided under this section. Before paying for the service, the tenant or group of tenants shall give oral or written notice to the landlord of the tenant's intention to pay after 48 hours, or a shorter period that is reasonable under the circumstances, if the landlord has not already paid for the service. In the case of oral notification, written notice shall be mailed or delivered to the landlord within 24 hours after the time oral notice is given.

(b) In the case of natural gas or electricity, if the landlord has not paid the bill by the time of the tenant's intended payment or if the service remains discontinued, the tenant or tenants may pay the current charges for the most recent billing period and the utility company or municipality must restore the service for at least one billing period. In a residential building with less than five units, one of the tenants may notify the utility company or municipality that the tenant agrees to become the bill payer responsible and customer of record and the utility company or municipality must place

the account disconnected or subject to disconnection in the tenant's name and provide service prospectively, provided the tenant satisfies all requirements for establishing service. A tenant that becomes the customer of record of a cooperative electric association does not acquire membership rights. Exercise of the right to pay the current charges for the most recent billing period does not preclude exercising the right to become the bill payer responsible and customer of record, provided that if there are multiple tenants in an affected multifamily building, the utility company or municipality is not required to offer the right to become the bill payer responsible and the customer of record to more than one tenant in a 12-month period.

(c) In the case of water and sewer, if the landlord has not paid the bill by the time of the tenant's intended payment or if the service remains discontinued, upon request from a tenant a municipality must provide a copy of each bill the landlord fails to pay. The tenant:

(1) has a continuing right to pay the current charges for the most recent billing period and retain service;

(2) has the period of time provided by the governing ordinance, policy, or practice within which to pay the charges;

(3) is not subject to any deposit requirements; and

(4) is entitled to reasonable notice of any disconnection.

This paragraph does not require a municipality to alter the municipality's accounting system or billing records if the tenant exercises the right to pay current charges and retain water service. If there are multiple tenants in an affected property, the municipality is not required to offer the right to pay current charges and retain service to more than one tenant in a 12-month period.

(d) For purposes of this subdivision, "current charges" does not include arrears or late payment fees incurred by the landlord.

(e) In a shared-metered residential building, other residential tenants in the building may contribute payments to the utility company or municipality on the account of the tenant who is the customer of record under paragraph (b), or on the landlord's account under paragraph (c).

(f) A landlord who satisfies all requirements for reestablishing service, including paying or entering into an agreement acceptable to the utility company or municipality to pay all arrears and other lawful charges incurred by the landlord on the account that was placed in the tenant's name, may reestablish service in the landlord's name.

(g) This section does not restrict or prohibit a municipal utility provider from exercising the municipal utility provider's authority pursuant to section 444.075, subdivisions 3 and 3e, to make contracts with and impose utility charges against property owners and to certify unpaid charges to the county auditor with taxes against the property served for collection as a tax.

(h) In the case of home heating oil or propane, if the landlord has not paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may order and pay for one month's supply of the proper grade and quality of oil or propane.

(i) After submitting documentation to the landlord of the tenant's payment to the utility company or municipality, a tenant may deduct the amount of the tenant's payment to the utility company or municipality from the rental payment next paid to the landlord. Any amount paid to the municipality, utility company, or other company by a tenant under this subdivision is considered payment of rent to the landlord for purposes of section 504B.291.

Subd. 14. **Limitations; waiver prohibited; rights as additional.** The tenant rights under this section:

(1) do not extend to conditions caused by the willful, malicious, or negligent conduct of the tenant or of a person under the tenant's direction or control;

(2) may not be waived or modified; and

(3) are in addition to and do not limit other rights that may be available to the tenant in law or equity, including the right to damages and the right to restoration of possession of the premises under section 504B.291.

Subd. 15. **Additional requirement.** By September 30 of each year, a landlord of a shared-metered residential building who bills for gas, electric utility charges, or both separate from rent must inform tenants in writing of the possible availability of energy assistance from the low-income home energy assistance program. The information must contain the toll-free telephone number of the administering agency.

Subd. 16. **Violations.** A violation of subdivisions 2 to 12 is a violation of section 504B.161 and a violation of subdivisions 2, 3, 4, 5, 6, 7, 10, and 12 is a violation of section 504B.221.

Subd. 17. **Attorney general authority.** The attorney general has authority under section 8.31 to investigate and prosecute violations of this section.

Sec. 8. Minnesota Statutes 2022, section 504B.285, subdivision 4, is amended to read:

Subd. 4. **Nonlimitation of landlord's rights.** (a) Nothing contained in subdivisions 2 and 3 limits the right of the landlord pursuant to the provisions of subdivision 1 to terminate a tenancy for a violation by the tenant of a lawful, material provision of a lease or contract, whether written or oral, or to hold the tenant liable for damage to the premises caused by the tenant or a person acting under the tenant's direction or control.

(b) If a landlord files an eviction action for failure to pay for utility service in a shared-metered building, the court:

(1) if the tenant has filed a complaint involving natural gas or electricity utility service with the Public Utilities Commission under section 216B.024, must stay the action until the commission has made a final determination and must not require the defendant to pay any amount of money into court, post a bond, make a payment directly to a landlord, or by any other means post security for any purpose prior to final disposition of the complaint pursuant to section 216B.172, subdivisions 3 and 4. If the action proceeds following the final disposition of complaint, the court must not require the tenant to post any amount of money into court, post a bond, make a payment directly to a landlord, or by any other means post security for utility charges;

(2) if the tenant has not filed a complaint involving natural gas or electric utility service with the Public Utilities Commission under section 216B.024 or the eviction action is for nonpayment of water and sewer utility charges, and the tenant meets the requirements for a court fee waiver under section 563.01, must not require the tenant to post any amount of money into court, post a bond, make a payment directly to a landlord, or by any other means post security for utility charges; and

(3) if the tenant has not filed a complaint involving natural gas or electric utility service with the Public Utilities Commission under section 216B.024, and the tenant does not meet the requirements for a court fee waiver under section 563.01, may, in the court's discretion, require the tenant to pay an amount of money or post security as the court deems appropriate for prospective utility charges only.

(c) A court must not require a tenant to post rent as a condition of a tenant asserting an affirmative claim or defense, or a counterclaim related to landlord utility billings or practices.

(d) For the purposes of this section:

(1) "shared-metered residential building" has the meaning given in section 504B.216, subdivision 1, paragraph (e); and

(2) "utility service" has the meaning given in section 504B.216, subdivision 1, paragraph (i).

Sec. 9. **REPEALER.**

Minnesota Statutes 2022, section 504B.215, is repealed.

Sec. 10. **EFFECTIVE DATE.**

(a) Sections 1 to 6, 8, and 9 are effective January 1, 2025.

(b) Section 7 is effective January 1, 2025, for leases entered into or renewed on or after that date."

Correct the title numbers accordingly

We request the adoption of this report and repassage of the bill.

Senate Conferees: D. Scott Dibble, Lindsey Port, Bill Weber

House Conferees: Athena Hollins, Sandra Feist, Harry Niska

Senator Dibble moved that the foregoing recommendations and Conference Committee Report on S.F. No. 4579 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 4579 was read the third time, as amended by the Conference Committee, and placed on its repassage.



The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 18, as follows:

Those who voted in the affirmative were:

Abeler	Farnsworth	Kreun	McEwen	Port
Boldon	Fateh	Kunesh	Miller	Putnam
Carlson	Frentz	Kupec	Mitchell	Rest
Champion	Gustafson	Lang	Mohamed	Seeberger
Coleman	Hauschild	Latz	Morrison	Weber
Cwodzinski	Hawj	Limmer	Murphy	Westlin
Dahms	Hoffman	Mann	Nelson	Westrom
Dibble	Housley	Marty	Oumou Verbeten	Wiklund
Duckworth	Johnson	Mathews	Pappas	Xiong
Dziedzic	Klein	Maye Quade	Pha	

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Those who voted in the negative were:

Anderson	Drazkowski	Howe	Lucero	Utke
Bahr	Eichorn	Jasinski	Pratt	Wesenberg
Dornink	Green	Koran	Rarick	
Draheim	Gruenhagen	Lieske	Rasmusson	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 3852 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. No. 3852

A bill for an act relating to labor; making policy and technical changes to programs and provisions under the Department of Labor and Industry; making policy and technical changes to provisions under the Bureau of Mediation Services; amending Minnesota Statutes 2022, sections 13.79, subdivision 1; 13.7905, by adding a subdivision; 177.23, by adding subdivisions; 177.24, subdivision 1, by adding a subdivision; 177.30; 178.011, subdivision 9; 178.012, subdivision 1; 178.035, subdivisions 2, 4, 6, 7; 178.036, subdivisions 3, 4, 5, 6, 7; 178.044, subdivision 3; 178.07, subdivisions 1, 3; 178.09, subdivision 2; 178.091, subdivisions 2, 4, by adding subdivisions; 178.10; 179.01, subdivisions 1, 9, 16; 179.06; 179.08; 179.11; 179.12; 179.254, subdivision 1; 179.256; 179.26; 179.27; 179.35, subdivision 1; 179.40; 179.43; 179A.02; 179A.03, subdivision 17; 179A.06, subdivisions 1, 2, 3; 179A.08, subdivision 2; 179A.10, subdivision 1; 179A.104, subdivision 1; 179A.12, subdivision 1; 179A.15; 179A.16, subdivisions 1, 7; 179A.18, subdivisions 2, 3; 179A.19, subdivision 6; 179A.20, subdivision 4; 179A.23; 181.941, subdivision 4; 181.943; 181.950, by adding a subdivision; 181.951, subdivision 1; 181A.08; 181A.12, subdivision 1, by adding subdivisions; 182.664, subdivisions 3, 5; 182.665; 182.666, subdivision 6; 182.667, by adding a subdivision; 326.02, subdivision 5; 326B.0981, subdivisions 3, 4, 8; 326B.33, subdivisions 7, 21; 326B.36, subdivision 2; 326B.46, subdivision 6; 626.892, subdivision 12; Minnesota Statutes 2023 Supplement, sections 177.27, subdivisions 2, 4, 7; 177.42, subdivision 2; 178.01; 181.212, subdivision 7; 181.213, subdivision 1; 181.531, subdivision 3; 181.939, subdivision 2; 181.953, subdivisions

1, 3, by adding a subdivision; 182.6526, subdivision 1; 182.677, subdivisions 1, 2; 204B.19, subdivision 6; 326B.36, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 178; 181; 182; repealing Minnesota Statutes 2022, section 178.036, subdivision 10; Minnesota Rules, parts 5200.0080, subpart 7; 5200.0400; 5510.0310, subpart 13.

May 1, 2024

The Honorable Bobby Joe Champion  
President of the Senate

The Honorable Melissa Hortman  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 3852 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 3852 be further amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### CONSTRUCTION CODES AND LICENSING

Section 1. Minnesota Statutes 2022, section 326.02, subdivision 5, is amended to read:

Subd. 5. **Limitation.** The provisions of sections 326.02 to 326.15 shall not apply to the preparation of plans and specifications for the erection, enlargement, or alteration of any building or other structure by any person, for that person's exclusive occupancy or use, unless such occupancy or use involves the public health or safety or the health or safety of the employees of said person, or of the buildings listed in section 326.03, subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor to a registered engineer, landscape architect, architect, or certified interior designer, nor to any standardized manufactured product, nor to any construction superintendent supervising the execution of work designed by an architect, landscape architect, engineer, or certified interior designer licensed or certified in accordance with section 326.03, nor to the planning for and supervision of the construction and installation of work by an electrical or elevator contractor or master plumber as defined in and licensed pursuant to chapter 326B, nor to the planning for and supervision of the construction and installation of work by a licensed well contractor as defined and licensed pursuant to chapter 103I, where such work is within the scope of such licensed activity and not within the practice of professional engineering, or architecture, or where the person does not claim to be a certified interior designer as defined in subdivision 2, 3, or 4b.

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

Sec. 2. Minnesota Statutes 2022, section 326B.0981, subdivision 3, is amended to read:

Subd. 3. **Content.** (a) Continuing education consists of approved courses that impart appropriate and related knowledge in the regulated industries pursuant to this chapter and other applicable federal and state laws, rules, and regulations. Courses may include relevant materials that are included in licensing exams subject to the limitations imposed in subdivision 11. The burden of demonstrating that courses impart appropriate and related knowledge is upon the person seeking approval or credit.

(b) Except as required for Internet continuing education, course examinations will not be required for continuing education courses.

(c) If textbooks are not used as part of the course, the sponsor must provide students with a syllabus containing the course title; the times and dates of the course offering; the name, address, and telephone number of the course sponsor; the name and affiliation of the instructor; and a detailed outline of the subject materials to be covered. Any written or printed material given to students must be of readable quality and contain accurate and current information.

(d) Upon completion of an approved course, licensees shall earn one hour of continuing education credit for each classroom hour approved by the commissioner. Each continuing education course must be attended in its entirety in order to receive credit for the number of approved hours. Courses may be approved for full or partial credit, and for more than one regulated industry.

(e) Continuing education credit in an approved course shall be awarded to presenting instructors on the basis of one credit for each hour of the initial presentation. Continuing education credits for completion of an approved course may only be used once for renewal of a specific license.

(f) Courses will be approved using the following guidelines:

(1) course content must demonstrate significant intellectual or practical content and deal with matters directly related to the practice in the regulated industry, workforce safety, or the business of running a company in the regulated industry. Courses may also address the professional responsibility or ethical obligations of a licensee related to work in the regulated industry;

(2) the following courses may be approved if they are specifically designed for the regulated industry and are in compliance with paragraph (g):

(i) courses approved by the Minnesota Board of Continuing Legal Education; or

(ii) courses approved by the International Code Council, National Association of Home Building, or other nationally recognized professional organization of the regulated industry; and

(3) courses must be presented and attended in a suitable classroom or construction setting, except for Internet education courses which must meet the requirements of subdivision ~~5a~~ 4. Courses presented via video recording, simultaneous broadcast, or teleconference may be approved provided the sponsor is available at all times during the presentation, except for Internet education courses which must meet the requirements of subdivision ~~5a~~ 4.

(g) The following courses will not be approved for credit:

(1) courses designed solely to prepare students for a license examination;

(2) courses in mechanical office skills, including typing, speed reading, or other machines or equipment. Computer courses are allowed, if appropriate and related to the regulated industry;

(3) courses in sales promotion, including meetings held in conjunction with the general business of the licensee;

(4) courses in motivation, salesmanship, psychology, or personal time management;

(5) courses that are primarily intended to impart knowledge of specific products of specific companies, if the use of the product or products relates to the sales promotion or marketing of one or more of the products discussed; or

(6) courses where any of the educational content of the course is the State Building Code that include code provisions that have not been adopted into the State Building Code unless the course materials clarify that the code provisions have been officially adopted into a future version of the State Building Code and the effective date of enforcement.

(h) Nothing in this subdivision shall limit an authority expressly granted to the Board of Electricity, Board of High Pressure Piping Systems, or Plumbing Board.

Sec. 3. Minnesota Statutes 2022, section 326B.0981, subdivision 4, is amended to read:

**Subd. 4. Internet continuing education.** (a) The design and delivery of an Internet continuing education course must be approved by the International Distance Education Certification Center (IDECC) or the International Association for Continuing Education and Training (IACET) before the course is submitted for the commissioner's approval. The approval must accompany the course submitted.

(b) Paragraphs (a) and ~~(e)~~ (d) do not apply to approval of an Internet continuing education course for manufactured home installers. An Internet continuing education course for manufactured home installers must be approved by the United States Department of Housing and Urban Development or by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

(c) Paragraph (a) does not apply to approval of an Internet continuing education course for elevator constructors. An Internet continuing education course for elevator constructors must be approved by the commissioner of labor and industry. The approval must accompany the course completion certificate issued to each student by the course sponsor.

~~(e)~~ (d) An Internet continuing education course must:

(1) specify the minimum computer system requirements;

(2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;

(3) include technology to guarantee seat time;

(4) include a high level of interactivity;

- (5) include graphics that reinforce the content;
- (6) include the ability for the student to contact an instructor or course sponsor within a reasonable amount of time;
- (7) include the ability for the student to get technical support within a reasonable amount of time;
- (8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;
- (9) be available 24 hours a day, seven days a week, excluding minimal downtime for updating and administration, except that this provision does not apply to live courses taught by an actual instructor and delivered over the Internet;
- (10) provide viewing access to the online course at all times to the commissioner, excluding minimal downtime for updating and administration;
- (11) include a process to authenticate the student's identity;
- (12) inform the student and the commissioner how long after its purchase a course will be accessible;
- (13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;
- (14) provide clear instructions on how to navigate through the course;
- (15) provide automatic bookmarking at any point in the course;
- (16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;
- (17) include a reinforcement response when a quiz question is answered correctly;
- (18) include a response when a quiz question is answered incorrectly;
- (19) include a final examination in which the student must correctly answer 70 percent of the questions;
- (20) allow the student to go back and review any unit at any time, except during the final examination;
- (21) provide a course evaluation at the end of the course. At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method;
- (22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient and shall include the name of the provider, date and location of the course, educational program identification that was provided by the department, hours of instruction or continuing education hours, and licensee's or attendee's

name and license, certification, or registration number or the last four digits of the licensee's or attendee's Social Security number; and

(23) allow the commissioner the ability to electronically review the class to determine if credit can be approved.

~~(d)~~ (e) The final examination must be either an encrypted online examination or a paper examination that is monitored by a proctor who certifies that the student took the examination.

Sec. 4. Minnesota Statutes 2022, section 326B.0981, subdivision 8, is amended to read:

Subd. 8. **Facilities.** Except for Internet education offered pursuant to subdivision ~~5a~~ 4, each course of study must be conducted in a classroom or other facility that is adequate to comfortably accommodate the instructors and the number of students enrolled. The sponsor may limit the number of students enrolled in a course.

Sec. 5. Minnesota Statutes 2022, section 326B.33, subdivision 7, is amended to read:

Subd. 7. **Power limited technician.** (a) Except as otherwise provided by law, no individual shall install, alter, repair, plan, lay out, or supervise the installing, altering, repairing, planning, or laying out of electrical wiring, apparatus, or equipment for technology circuits or systems unless:

(1) the individual is licensed by the commissioner as a power limited technician; and

(2) the electrical work is:

(i) for a licensed contractor and the individual is an employee, partner, or officer of, or is the licensed contractor; or

(ii) performed under the direct supervision of a master electrician or power limited technician also employed by the individual's employer on technology circuits, systems, apparatus, equipment, or facilities that are owned or leased by the employer and that are located within the limits of property operated, maintained, and either owned or leased by the employer.

(b) An applicant for a power limited technician's license shall (1) be a graduate of a four-year electrical course offered by an accredited college or university; or (2) have had at least 36 months' experience, acceptable to the commissioner, in planning for, laying out, supervising, installing, altering, and repairing wiring, apparatus, or equipment for power limited systems, provided however, that up to 12 months (2,000 hours) of experience credit for successful completion of a two-year post high school electrical course or other technical training approved by the commissioner may be allowed.

(c) Licensees must attain 16 hours of continuing education acceptable to the board every renewal period.

~~(d) A company holding an alarm and communication license as of June 30, 2003, may designate one individual who may obtain a power limited technician license without passing an examination administered by the commissioner by submitting an application and license fee of \$30.~~

~~(e) A person who has submitted an application by December 30, 2007, to take the power limited technician examination administered by the department is not required to meet the qualifications set forth in paragraph (b).~~

Sec. 6. Minnesota Statutes 2022, section 326B.33, subdivision 21, is amended to read:

Subd. 21. **Exemptions from licensing.** (a) An individual who is a maintenance electrician is not required to hold or obtain a license under sections 326B.31 to 326B.399 if:

(1) the individual is engaged in the maintenance and repair of electrical equipment, apparatus, and facilities that are owned or leased by the individual's employer and that are located within the limits of property operated, maintained, and either owned or leased by the individual's employer;

(2) the individual is supervised by:

(i) the responsible master electrician for a contractor who has contracted with the individual's employer to provide services for which a contractor's license is required; or

(ii) a licensed master electrician, a licensed maintenance electrician, an electrical engineer, or, if the maintenance and repair work is limited to technology circuits or systems work, a licensed power limited technician; and

(3) the individual's employer has on file with the commissioner a current certificate of responsible person, signed by the responsible master electrician of the contractor, the licensed master electrician, the licensed maintenance electrician, the electrical engineer, or the licensed power limited technician, and stating that the person signing the certificate is responsible for ensuring that the maintenance and repair work performed by the employer's employees complies with the Minnesota Electrical Act and the rules adopted under that act. The employer must pay a filing fee to file a certificate of responsible person with the commissioner. The certificate shall expire two years from the date of filing. In order to maintain a current certificate of responsible person, the employer must resubmit a certificate of responsible person, with a filing fee, no later than two years from the date of the previous submittal.

(b) Employees of a licensed electrical or technology systems contractor or other employer where provided with supervision by a master electrician in accordance with subdivision 1, or power limited technician in accordance with subdivision 7, paragraph (a), clause (1), are not required to hold a license under sections 326B.31 to 326B.399 for the planning, laying out, installing, altering, and repairing of technology circuits or systems except planning, laying out, or installing:

(1) in other than residential dwellings, class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems through communication, alarm, and security systems are exempted from this paragraph;

(2) class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or

(3) technology circuits or systems in hazardous classified locations as covered by ~~chapter 5~~ of the National Electrical Code.

(c) Companies and their employees that plan, lay out, install, alter, or repair class 2 and class 3 remote control wiring associated with plug or cord and plug connected appliances other than security or fire alarm systems installed in a residential dwelling are not required to hold a license under sections 326B.31 to 326B.399.

(d) Heating, ventilating, air conditioning, and refrigeration contractors and their employees are not required to hold or obtain a license under sections 326B.31 to 326B.399 when performing heating, ventilating, air conditioning, or refrigeration work as described in section 326B.38.

(e) Employees of any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or a telephone company as defined under section 237.01 or its employees, or of any independent contractor performing work on behalf of any such utility, cable communications company, or telephone company, shall not be required to hold a license under sections 326B.31 to 326B.399:

(1) while performing work on installations, materials, or equipment which are owned or leased, and operated and maintained by such utility, cable communications company, or telephone company in the exercise of its utility, antenna, or telephone function, and which:

(i) are used exclusively for the generation, transformation, distribution, transmission, or metering of electric current, or the operation of railway signals, or the transmission of intelligence and do not have as a principal function the consumption or use of electric current or provided service by or for the benefit of any person other than such utility, cable communications company, or telephone company; and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(2) while performing work on installations, materials, or equipment which are a part of the street lighting operations of such utility; or

(3) while installing or performing work on outdoor area lights which are directly connected to a utility's distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction.

(f) An owner shall not be individual who physically performs electrical work on a residential dwelling that is located on a property the individual owns and actually occupies as a residence or owns and will occupy as a residence upon completion of its construction is not required to hold or obtain a license under sections 326B.31 to 326B.399 if the residential dwelling has a separate electrical utility service not shared with any other residential dwelling.

(g) Companies and their employees licensed under section 326B.164 shall not be required to hold or obtain a license under sections 326B.31 to 326B.399 while performing elevator work.

Sec. 7. Minnesota Statutes 2022, section 326B.36, subdivision 2, is amended to read:



Subd. 2. **Technology systems.** (a) The installation of the technology circuits or systems described in paragraph (b), except:

(1) minor work performed by a contractor;

(2) work performed by a heating, ventilating, or air conditioning contractor as described in section 326B.38; and

(3) work performed by cable company employees when installing cable communications systems or telephone company employees when installing telephone systems,

must be inspected as provided in this section for compliance with the applicable provisions of the National Electrical Code and the applicable provisions of the National Electrical Safety Code, as those codes were approved by the American National Standards Institute.

(b) The inspection requirements in paragraph (a) apply to:

(1) class 2 or class 3 remote control circuits that control circuits or systems other than class 2 or class 3, except circuits that interconnect these systems exempted by section 326B.33, subdivision 21, paragraph (b), other than fire alarm; class 2 or class 3 circuits in electrical cabinets, enclosures, or devices containing physically unprotected circuits other than class 2 or class 3; or technology circuits and systems in hazardous classified locations as covered by ~~chapter 5~~ of the National Electrical Code;

(2) fire alarm systems, other than in one- or two-family dwellings, as defined in ~~articles 100 and 760~~ of the National Electrical Code;

(3) technology circuits and systems contained within critical care areas of health care facilities as defined by the safety standards identified in section 326B.35, including, but not limited to, anesthesia and resuscitative alarm and alerting systems, medical monitoring, and nurse call systems; and

(4) physical security systems within detention facilities; ~~and~~

~~(5) circuitry and equipment for indoor lighting systems as defined in article 411 of the National Electrical Code.~~

(c) For the purposes of this subdivision "minor work" means the adjustment or repair and replacement of worn or defective parts of a technology circuit or system. Minor work may be inspected under this section at the request of the owner of the property or the person doing the work.

(d) Notwithstanding this subdivision, if an electrical inspector observes that a contractor, employer, or owner has not complied with accepted standards when the work was performed, as provided in the most recent editions of the National Electrical Code and the National Electrical Safety Code as approved by the American National Standards Institute, the inspector may order the contractor, employer, or owner who has performed the work to file a request for electrical inspection, pay an inspection fee, and make any necessary repairs to comply with applicable standards and require that the work be inspected.

Sec. 8. Minnesota Statutes 2023 Supplement, section 326B.36, subdivision 7, is amended to read:

Subd. 7. **Exemptions from inspections.** Installations, materials, or equipment shall not be subject to inspection under sections 326B.31 to 326B.399:

(1) when owned or leased, operated and maintained by any employer whose maintenance electricians are exempt from licensing under sections 326B.31 to 326B.399, while performing electrical maintenance work only as defined by rule;

(2) when owned or leased, and operated and maintained by any electrical, communications, or railway utility, cable communications company as defined in section 238.02, or telephone company as defined under section 237.01, in the exercise of its utility, antenna, or telephone function; and

(i) are used exclusively for the generations, transformation, distribution, transmission, load control, or metering of electric current, or the operation of railway signals, or the transmission of intelligence, and do not have as a principal function the consumption or use of electric current by or for the benefit of any person other than such utility, cable communications company, or telephone company; and

(ii) are generally accessible only to employees of such utility, cable communications company, or telephone company or persons acting under its control or direction; and

(iii) are not on the load side of the service point or point of entrance for communication systems;

(3) when used in the street lighting operations of an electrical utility;

(4) when used as outdoor area lights which are owned and operated by an electrical utility and which are connected directly to its distribution system and located upon the utility's distribution poles, and which are generally accessible only to employees of such utility or persons acting under its control or direction;

(5) when the installation, material, and equipment are in facilities subject to the jurisdiction of the federal Mine Safety and Health Act; or

(6) when the installation, material, and equipment is part of an elevator installation for which the elevator contractor, licensed under section 326B.164, is required to obtain a permit from the authority having jurisdiction as provided by section 326B.184, and the inspection has been or will be performed by an elevator inspector certified and licensed by the department. This exemption shall apply only to installations, material, and equipment permitted or required to be connected on the load side of the disconnecting means required for elevator equipment under the National Electrical Code ~~Article 620~~, and elevator communications and alarm systems within the machine room, car, hoistway, or elevator lobby.

Sec. 9. Minnesota Statutes 2022, section 326B.46, subdivision 6, is amended to read:

Subd. 6. **Well contractor exempt from licensing and bond; conditions.** No license, registration, or bond under sections 326B.42 to 326B.49 is required of a well contractor or a limited well/boring

contractor who is licensed and bonded under section 103I.525 or 103I.531 and is engaged in the work or business of designing and installing:

- (1) water service pipe from a well to a pressure tank;
- (2) a frost-free water hydrant with an antisiphon device on a well water service pipe located entirely outside of a building requiring potable water;
- (3) a control valve, located outside the building, on a well water service pipe; or
- (4) a main control valve located within two feet of the pressure tank on the distribution supply line.

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

## ARTICLE 2

### LABOR STANDARDS

Section 1. Minnesota Statutes 2022, section 13.79, subdivision 1, is amended to read:

Subdivision 1. **Identity of employees making complaints complainants.** Data that identify ~~complaining employees and that appear on complaint forms received by individuals who have complained to the Department of Labor and Industry concerning alleged violations of the Fair Labor Standards Act, section 181.75 or 181.9641, chapter 177; chapter 181; sections 179.86 to 179.877; chapter 181A; or rules adopted pursuant to these statutes, are classified as private data. The commissioner may disclose this data to other government entities with written consent from the complainant if the commissioner determines that the disclosure furthers an enforcement action of the Department of Labor and Industry or another government entity.~~

Sec. 2. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 2, is amended to read:

Subd. 2. **Submission of records; penalty.** (a) The commissioner may require the employer of employees working in the state to submit to the commissioner photocopies, certified copies, or, if necessary, the originals of employment records which the commissioner deems necessary or appropriate. The records which may be required include full and correct statements in writing, including sworn statements by the employer, containing information relating to wages, hours, names, addresses, and any other information pertaining to the employer's employees and the conditions of their employment as the commissioner deems necessary or appropriate.

(b) Employers and persons requested by the commissioner to produce records shall respond within the time and in the manner specified by the commissioner.

(c) The commissioner may require the records to be submitted by certified mail delivery or, if necessary, by personal delivery by the employer or a representative of the employer, as authorized by the employer in writing.

(d) The commissioner may fine the employer up to \$10,000 for each failure to submit or deliver records as required by this section. This penalty is in addition to any penalties provided under section

177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.

Sec. 3. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 4, is amended to read:

Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an employer to comply with sections 177.21 to 177.435, 179.86, 181.02, 181.03, 181.031, 181.032, 181.10, 181.101, 181.11, 181.13, 181.14, 181.145, 181.15, 181.165, 181.172, paragraph (a) or (d), 181.214 to 181.217, 181.275, subdivision 2a, 181.635, 181.64, 181.722, 181.79, 181.85 to 181.89, 181.939 to 181.943, 181.9445 to 181.9448, 181.987, 181.991, 268B.09, subdivisions 1 to 6, and 268B.14, subdivision 3, with any rule promulgated under section 177.28, 181.213, or 181.215. The commissioner shall issue an order requiring an employer to comply with sections 177.41 to 177.435, 181.165, or 181.987 if the violation is repeated. For purposes of this subdivision only, a violation is repeated if at any time during the two years that preceded the date of violation, the commissioner issued an order to the employer for violation of sections 177.41 to 177.435, 181.165, or 181.987 and the order is final or the commissioner and the employer have entered into a settlement agreement that required the employer to pay back wages that were required by sections 177.41 to 177.435. The department shall serve the order upon the employer or the employer's authorized representative in person or by certified mail at the employer's place of business. An employer who wishes to contest the order must file written notice of objection to the order with the commissioner within 15 calendar days after being served with the order. A contested case proceeding must then be held in accordance with sections 14.57 to 14.69 or 181.165. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner. For the purposes of this subdivision, an employer includes a contractor that has assumed a subcontractor's liability within the meaning of section 181.165.

Sec. 4. Minnesota Statutes 2023 Supplement, section 177.27, subdivision 7, is amended to read:

Subd. 7. **Employer liability.** If an employer is found by the commissioner to have violated a section identified in subdivision 4, or any rule adopted under section 177.28, 181.213, or 181.215, and the commissioner issues an order to comply, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take such affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner shall order the employer to pay to the aggrieved parties back pay, gratuities, and compensatory damages, less any amount actually paid to the employee by the employer, and for an additional equal amount as liquidated damages. The commissioner may also order reinstatement and any other appropriate relief to the aggrieved parties. Any employer who is found by the commissioner to have repeatedly or willfully violated a section or sections identified in subdivision 4 shall be subject to a civil penalty of up to \$10,000 for each violation for each employee. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered. In addition, the commissioner may order the employer to reimburse the department and the attorney general for all appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private

attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c). The commissioner may establish escrow accounts for purposes of distributing damages.

Sec. 5. Minnesota Statutes 2022, section 177.30, is amended to read:

**177.30 KEEPING RECORDS; PENALTY.**

(a) Every employer subject to sections 177.21 to 177.44 must make and keep a record of:

(1) the name, address, and occupation of each employee;

(2) the rate of pay, and the amount paid each pay period to each employee;

(3) the hours worked each day and each workweek by the employee, including for all employees paid at piece rate, the number of pieces completed at each piece rate;

(4) a list of the personnel policies provided to the employee, including the date the policies were given to the employee and a brief description of the policies;

(5) a copy of the notice provided to each employee as required by section 181.032, paragraph (d), including any written changes to the notice under section 181.032, paragraph (f);

(6) for each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the employer shall furnish under oath signed by an owner or officer of an employer to the contracting authority and the project owner every two weeks, a certified payroll report with respect to the wages and benefits paid each employee during the preceding weeks specifying for each employee: name; identifying number; prevailing wage master job classification; hours worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions; net pay for week; dollars contributed per hour for each benefit, including name and address of administrator; benefit account number; and telephone number for health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit programs; ~~and~~

(7) earnings statements for each employee for each pay period as required by section 181.032, paragraphs (a) and (b); and

(8) other information the commissioner finds necessary and appropriate to enforce sections 177.21 to 177.435. The records must be kept for three years in the premises where an employee works except each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the records must be kept for three years after the contracting authority has made final payment on the public works project.

(b) All records required to be kept under paragraph (a) must be readily available for inspection by the commissioner upon demand. The records must be either kept at the place where employees are working or kept in a manner that allows the employer to comply with this paragraph within 72 hours.

(c) The commissioner may fine an employer up to \$1,000 for each failure to maintain records as required by this section, and up to \$5,000 for each repeated failure. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer's business and the gravity of the violation shall be considered.

(d) If the records maintained by the employer do not provide sufficient information to determine the exact amount of back wages due an employee, the commissioner may make a determination of wages due based on available evidence.

Sec. 6. Minnesota Statutes 2023 Supplement, section 177.42, subdivision 2, is amended to read:

Subd. 2. **Project.** "Project" means demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a public building, structure, facility, land, or other public work, which includes any work suitable for and intended for use by the public, or for the public benefit, financed in whole or part by state funds. Project also includes demolition, erection, construction, alteration, improvement, restoration, remodeling, or repairing of a building, structure, facility, land, or public work when the acquisition of property, predesign, design, or demolition is financed in whole or part by state funds.

Sec. 7. Minnesota Statutes 2023 Supplement, section 181.212, subdivision 7, is amended to read:

Subd. 7. **Voting.** The affirmative vote of five board members is required for the board to take any action, including actions necessary to establish minimum nursing home employment standards under section 181.213. At least two of the five affirmative votes must be cast by the commissioner members or the commissioner's appointees.

Sec. 8. Minnesota Statutes 2023 Supplement, section 181.213, subdivision 1, is amended to read:

Subdivision 1. **Authority to establish minimum nursing home employment standards.** (a) The board must adopt rules establishing minimum nursing home employment standards that are reasonably necessary and appropriate to protect the health and welfare of nursing home workers, to ensure that nursing home workers are properly trained about and fully informed of their rights under sections 181.211 to 181.217, and to otherwise satisfy the purposes of sections 181.211 to 181.217. Standards established by the board must include standards on compensation for nursing home workers, and may include recommendations under paragraph (c). The board may not adopt standards that are less protective of or beneficial to nursing home workers as any other applicable statute or rule or any standard previously established by the board unless there is a determination by the board under subdivision 2 that existing standards exceed the operating payment rate and external fixed costs payment rates included in the most recent budget and economic forecast completed under section 16A.103. In establishing standards under this section, the board must establish statewide standards, and may adopt standards that apply to specific nursing home occupations.

(b) The board must adopt rules establishing initial standards for wages for nursing home workers no later than ~~August~~ November 1, 2024. The board may use the authority in section 14.389 to adopt rules under this paragraph. The board shall consult with the department in the development of these standards prior to beginning the rule adoption process.

(c) To the extent that any minimum standards that the board finds are reasonably necessary and appropriate to protect the health and welfare of nursing home workers fall within the jurisdiction of chapter 182, the board shall not adopt rules establishing the standards but shall instead recommend the occupational health and safety standards to the commissioner. The commissioner shall adopt nursing home health and safety standards under section 182.655 as recommended by the board, unless the commissioner determines that the recommended standard is outside the statutory authority of the commissioner, presents enforceability challenges, is infeasible to implement, or is otherwise unlawful and issues a written explanation of this determination.

Sec. 9. Minnesota Statutes 2023 Supplement, section 181.939, subdivision 2, is amended to read:

Subd. 2. **Pregnancy accommodations.** (a) An employer must provide reasonable accommodations to an employee for health conditions related to pregnancy or childbirth upon request, with the advice of a licensed health care provider or certified doula, unless the employer demonstrates that the accommodation would impose an undue hardship on the operation of the employer's business. A pregnant employee shall not be required to obtain the advice of a licensed health care provider or certified doula, nor may an employer claim undue hardship for the following accommodations: (1) more frequent or longer restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The employee and employer shall engage in an interactive process with respect to an employee's request for a reasonable accommodation. Reasonable accommodation may include but is not limited to temporary transfer to a less strenuous or hazardous position, temporary leave of absence, modification in work schedule or job assignments, seating, more frequent or longer break periods, and limits to heavy lifting. Notwithstanding any other provision of this subdivision, an employer shall not be required to create a new or additional position in order to accommodate an employee pursuant to this subdivision and shall not be required to discharge an employee, transfer another employee with greater seniority, or promote an employee.

(b) Nothing in this subdivision shall be construed to affect any other provision of law relating to sex discrimination or pregnancy or in any way diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

(c) An employer shall not require an employee to take a leave or accept an accommodation.

(d) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under this subdivision.

(e) For the purposes of this subdivision, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(f) During any leave for which an employee is entitled to benefits or leave under this subdivision, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.

Sec. 10. Minnesota Statutes 2022, section 181.941, subdivision 4, is amended to read:

Subd. 4. **Continued insurance.** ~~The employer must continue to make coverage available to the employee while on leave of absence under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence. During any leave for which an employee is entitled to benefits or leave under this section, the employer must maintain coverage under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents as if the employee was not on leave, provided, however, that the employee must continue to pay any employee share of the cost of the benefits.~~

Sec. 11. Minnesota Statutes 2022, section 181.943, is amended to read:

**181.943 RELATIONSHIP TO OTHER LEAVE.**

(a) The length of leave provided under section 181.941 may be reduced by any period of:

(1) paid parental, disability, personal, medical, or sick leave, or accrued vacation provided by the employer so that the total leave does not exceed 12 weeks, unless agreed to by the employer; or

(2) leave taken for the same purpose by the employee under United States Code, title 29, chapter 28.

(b) Nothing in sections 181.940 to 181.943 prevents any employer from providing leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise affects an employee's rights with respect to any other employment benefit.

(c) Notwithstanding paragraphs (a) and (b), the length of leave provided under section 181.941 must not be reduced by any period of paid or unpaid leave taken for prenatal care medical appointments.

**Sec. 53. [181.9881] RESTRICTIVE EMPLOYMENT COVENANTS; VOID IN SERVICE CONTRACTS.**

Subdivision 1. **Definitions.** (a) "Customer" means an individual, partnership, association, corporation, business, trust, or group of persons hiring a service provider for services.

(b) "Employee," as used in this section, means any individual who performs services for a service provider, including independent contractors. "Independent contractor" has the meaning given in section 181.988, subdivision 1, paragraph (d).

(c) "Service provider" means any partnership, association, corporation, business, trust, or group of persons acting directly or indirectly as an employer or manager for work contracted or requested by a customer.

Subd. 2. **Restrictive employment covenants; void and unenforceable.** (a) No service provider may restrict, restrain, or prohibit in any way a customer from directly or indirectly soliciting or hiring an employee of a service provider.

(b) Any provision of an existing contract that violates paragraph (a) is void and unenforceable.



(c) When a provision in an existing contract violates this section, the service provider must provide notice to their employees of this section and the restrictive covenant in the existing contract that violates this section.

Subd. 3. **Exemptions.** This section does not apply to workers providing professional business consulting for computer software development and related services who are seeking employment through a service provider with the knowledge and intention of being considered for a permanent position of employment with the customer as their employer at a later date.

**EFFECTIVE DATE.** This section is effective July 1, 2024, and applies to contracts and agreements entered into on or after that date.

Sec. 12. Minnesota Statutes 2022, section 181A.08, is amended to read:

### **181A.08 POWERS AND DUTIES OF THE DEPARTMENT.**

Subdivision 1. **Inspections.** The commissioner, an authorized representative, or any truant officer may enter and inspect the place of business or employment and may interview any employees, of any employer of employees in any occupation in the state, all for the purpose of ascertaining whether any minors are employed contrary to the provisions of sections 181A.01 to 181A.12. Such authorized persons may require that employment certificates, age certificates, and lists of minors employed shall be produced for their inspection.

Subd. 2. **Compliance orders.** The commissioner or an authorized representative may issue an order requiring an employer to comply with the provisions of sections 181A.01 to 181A.12 or with any rules promulgated under the provisions of section 181A.09. Any such order shall be served by the department upon the employer or an authorized representative in person or by certified mail at the employers place of business. If an employer wishes to contest the order for any reason, the employer shall file written notice of objection with the commissioner within ~~ten~~ 15 calendar days after service of said order upon said employer. Thereafter, a public hearing shall be held in accordance with the provisions of sections 14.57 to 14.69, and such rules consistent therewith as the commissioner shall make. If, within 15 calendar days after being served with the order, the employer fails to file a written notice of objection with the commissioner, the order becomes a final order of the commissioner.

Subd. 2a. **Employer liability.** If an employer is found by the commissioner to have violated any provision of sections 181A.01 to 181A.12, or any rules promulgated under section 181A.09, and the commissioner issues an order to comply under subdivision 2, the commissioner shall order the employer to cease and desist from engaging in the violative practice and to take affirmative steps that in the judgment of the commissioner will effectuate the purposes of the section or rule violated. The commissioner may order the employer to reimburse the department and the attorney general for appropriate litigation and hearing costs expended in preparation for and in conducting the contested case proceeding, unless payment of costs would impose extreme financial hardship on the employer. If the employer is able to establish extreme financial hardship, then the commissioner may order the employer to pay a percentage of the total costs that will not cause extreme financial hardship. Costs include but are not limited to the costs of services rendered by the attorney general, private attorneys if engaged by the department, administrative law judges, court reporters, and expert witnesses as well as the cost of transcripts. Interest shall accrue on, and be added to, the unpaid

balance of a commissioner's order from the date the order is signed by the commissioner until it is paid, at an annual rate provided in section 549.09, subdivision 1, paragraph (c).

Subd. 3. **Restraining orders.** The commissioner or an authorized representative may apply to any court of competent jurisdiction for an order restraining the violation of an order issued by the commissioner pursuant to subdivision 2, or for an order enjoining and restraining violations of this chapter or rules adopted pursuant to section 181A.09.

Sec. 13. Minnesota Statutes 2022, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. **Fines; penalty.** (a) Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are ~~in~~ up to the amounts as follows for each violation:

(1)	employment of minors under the age of 14 (each employee)	\$	500
(2)	employment of minors under the age of 16 during school hours while school is in session (each employee)		500
(3)	employment of minors under the age of 16 before 7:00 a.m. (each employee)		500
(4)	employment of minors under the age of 16 after 9:00 p.m. (each employee)		500
(5)	employment of a high school student under the age of 18 in violation of section 181A.04, subdivision 6 (each employee)		1,000
(6)	employment of minors under the age of 16 over eight hours a day (each employee)		500
(7)	employment of minors under the age of 16 over 40 hours a week (each employee)		500
(8)	employment of minors under the age of 18 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)		1,000
(9)	employment of minors under the age of 16 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)		1,000
(10)	minors under the age of 18 injured in hazardous employment (each employee)		5,000
(11)	minors employed without proof of age (each employee)		250

(b) An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

(c) Notwithstanding the factors in section 14.045, subdivision 3, the commissioner need only consider the size of the business of the employer, the gravity of the violation, and the history of previous violations when determining the total amount of fines to issue under this subdivision.

Sec. 14. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:

Subd. 4. **Liquidated damages.** An employer who employs a minor in violation of section 181A.04, subdivision 5, may be liable to the minor for an amount equal to the minor's regular rate of pay for all hours worked in violation of section 181A.04, subdivision 5, as liquidated damages, in addition to the wages earned by the minor.

Sec. 15. Minnesota Statutes 2022, section 181A.12, is amended by adding a subdivision to read:

Subd. 5. **Retaliation.** An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting rights or remedies under sections 181A.01 to 181A.12 or any rules promulgated under section 181A.09, including but not limited to filing a complaint with the department, informing the employer of the employee's intention to file a complaint, or participating in an investigation by the department. In addition to any other remedies provided by law, the commissioner may order an employer in violation of this subdivision to provide back pay, compensatory damages, reinstatement, and any other appropriate relief to the aggrieved employee.

### ARTICLE 3

#### OCCUPATIONAL SAFETY AND HEALTH

Section 1. Minnesota Statutes 2023 Supplement, section 182.6526, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The terms defined in this subdivision have the meanings given.

(b) "Aggregated employee work speed data" means a compilation of employee work speed data for multiple employees, in summary form, assembled in full or in another form such that the data cannot be identified with any individual.

(c) "Commissioner" means the commissioner of labor and industry.

(d)(1) Except as provided in clause (2), "employee" means ~~an employee~~ a person who meets the definition in section 182.651, subdivision 9, and who works at a warehouse distribution center.

(2) For the purposes of subdivisions 2, 3, and 4 only, "employee" means a ~~nonexempt employee~~ performing person who: (i) meets the definition in section 182.651, subdivision 9; (ii) does not meet any of the exceptions under section 177.23, subdivision 7, clauses (1) to (19); and (iii) performs warehouse work occurring on the property of a warehouse distribution center ~~and~~. Employee does not include a ~~nonexempt employee~~ any person performing solely manufacturing, administrative,

sales, accounting, human resources, or driving work at, or to and from, a warehouse distribution center.

(e) "Employee work speed data" means information an employer collects, stores, analyzes, or interprets relating to an individual employee's performance of a quota, including but not limited to quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, measurements or metrics of employee performance in relation to a quota, and time categorized as performing tasks or not performing tasks. Employee work speed data does not include itemized earnings statements pursuant to chapter 181, except for any content of those records that includes employee work speed data as defined in this paragraph.

(f) "Employer" means a person who meets the definition in section 182.651, subdivision 7, and who directly or indirectly, or through an agent or any other person, including through the services of a third-party employer, temporary service, or staffing agency or similar entity, employs or exercises control over the wages, hours, or working conditions of 250 or more employees at a single warehouse distribution center or 1,000 or more employees at one or more warehouse distribution centers in the state. For purposes of this paragraph, all employees of an employer's unitary business, as defined in section 290.17, subdivision 4, shall be counted in determining the number of employees employed at a single warehouse distribution center or at one or more warehouse distribution centers in the state.

(g) "Warehouse distribution center" means an establishment as defined by any of the following North American Industry Classification System (NAICS) codes:

- (1) 493110 for General Warehousing and Storage;
- (2) 423 for Merchant Wholesalers, Durable Goods;
- (3) 424 for Merchant Wholesalers, Nondurable Goods;
- (4) 454110 for Electronic Shopping and Mail-Order Houses; and
- (5) 492110 for Couriers and Express Delivery Services.

(h) "Quota" means a work standard under which:

(1) an employee or group of employees is assigned or required to perform at a specified productivity speed, or perform a quantified number of tasks, or handle or produce a quantified amount of material, or perform without a certain number of errors or defects, as measured at the individual or group level within a defined time period; or

(2) an employee's actions are categorized and measured between time performing tasks and not performing tasks, and the employee's failure to complete a task performance standard may have an adverse impact on the employee's continued employment.

Sec. 2. Minnesota Statutes 2022, section 182.664, subdivision 3, is amended to read:

Subd. 3. **Powers and duties of board.** The review board shall review and decide appeals from final decisions and orders of the commissioner, including decisions issued by administrative law judges, petitions to vacate final orders of the commissioner, and with the agreement of the parties,

may review and decide petitions for decisions based on stipulated facts. The powers of the board in the conduct of hearings, including the power to sign decisions and orders, may be delegated to a member, members, or the board chair. The board may schedule a hearing for purposes of taking oral argument. A notice stating the time and place of the hearing must be given ten days in advance of such a hearing to the parties and copies of the notice of such hearing shall be served by the employer as rules of the board shall require. The hearings shall be open to the public and the board's decisions and orders shall be maintained and available for examination. Chapter 13D does not apply to meetings or hearings of the board when the board is deliberating to reach its decision on an appeal or petition under its jurisdiction.

Sec. 3. Minnesota Statutes 2022, section 182.664, subdivision 5, is amended to read:

Subd. 5. **Authority of board; standard scope of review.** (a) For the purpose of carrying out its functions under this chapter, two members of the board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members. The decisions and orders of an administrative law judge, or final orders of the commissioner, may be appealed to the review board by the employer, employee, or their authorized representatives or any party, within 30 days following service by mail of the administrative law judge's decision and order, or final order of the commissioner.

(b) The review board shall have authority to revise, ~~confirm~~ affirm, remand, or reverse the decision and order of administrative law judges, ~~or.~~

(c) The review board shall also have authority to affirm, or vacate and remand, final orders of the commissioner when a petition to vacate a final order is filed. The board shall only vacate and remand a final order of the commissioner relating to a petition to vacate upon a showing of good cause. For purposes of this section, good cause is limited to fraud, mistake of fact ~~or~~ by the commissioner, mistake of law by the commissioner, or newly discovered evidence.

Sec. 4. Minnesota Statutes 2022, section 182.665, is amended to read:

#### **182.665 JUDICIAL REVIEW.**

Any person aggrieved by a final order of the board in a contested case, by a final order of the board on a petition to vacate a final order of the commissioner, or by any standard, rule, or order promulgated by the commissioner, is entitled to judicial review thereof in accordance with the applicable provisions of chapter 14.

Sec. 5. Minnesota Statutes 2022, section 182.666, subdivision 6, is amended to read:

Subd. 6. **Authority to assess fines; considerations.** Only the commissioner shall have authority to assess all proposed fines provided in this section, ~~giving.~~ Notwithstanding the factors in section 14.045, subdivision 3, the commissioner must give due consideration only to the following factors:

- (1) appropriateness of the fine with respect to the size of the business of the employer;
- (2) the gravity of the violation;
- (3) the good faith of the employer; and

(4) the history of previous violations.

Sec. 6. Minnesota Statutes 2022, section 182.667, is amended by adding a subdivision to read:

Subd. 4. **Investigative data.** The commissioner may share active and inactive civil investigative data pursuant to section 13.39 with a city or county attorney for purposes of enforcing this section. The commissioner may share complete data and need not withhold any data under the requirements of chapter 13 or 182 or any other state privacy law.

Sec. 7. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this subdivision apply unless otherwise specified.

(b) "Health care facility" means a hospital with a North American Industrial Classification system code of 622110, 622210, or 622310; an outpatient surgical center with a North American Industrial Classification system code of 621493; and a nursing home with a North American Industrial Classification system code of 623110.

(c) "Warehouse distribution center" means ~~an employer~~ a site in Minnesota with 100 or more employees ~~in Minnesota~~ and a North American Industrial Classification system code of 493110, 423110 to 423990, 424110 to 424990, 454110, or 492110.

(d) "Meatpacking site" means ~~a meatpacking or poultry processing site in Minnesota~~ a site in Minnesota with 100 or more employees ~~in Minnesota~~ and a North American Industrial Classification system code of 311611 to 311615, except 311613.

(e) "Musculoskeletal disorder" or "MSD" means a disorder of the muscles, nerves, tendons, ligaments, joints, cartilage, blood vessels, or spinal discs.

Sec. 8. Minnesota Statutes 2023 Supplement, section 182.677, subdivision 2, is amended to read:

Subd. 2. **Ergonomics program required.** (a) Every employer with employees at a licensed health care facility, warehouse distribution center, or meatpacking site in the state shall create and implement an effective written ergonomics program establishing the employer's plan to minimize the risk of its employees developing or aggravating musculoskeletal disorders. The ergonomics program shall focus on eliminating the risk. To the extent risk exists, the ergonomics program must include feasible administrative or engineering controls to reduce the risk.

(b) The program shall include:

- (1) an assessment to identify and reduce musculoskeletal disorder risk factors in the facility;
- (2) an initial and ongoing training of employees on ergonomics and its benefits, including the importance of reporting early symptoms of musculoskeletal disorders;
- (3) a procedure to ensure early reporting of musculoskeletal disorders to prevent or reduce the progression of symptoms, the development of serious injuries, and lost-time claims;

(4) a process for employees to provide possible solutions that may be implemented to reduce, control, or eliminate workplace musculoskeletal disorders;

(5) procedures to ensure that physical plant modifications and major construction projects are consistent with program goals; and

(6) annual evaluations of the ergonomics program and whenever a change to the work process occurs.

## ARTICLE 4

### APPRENTICESHIP POLICY

Section 1. Minnesota Statutes 2022, section 13.7905, is amended by adding a subdivision to read:

Subd. 10. **Apprentice data.** Apprentice data reported to, maintained by, or collected by the department is governed by section 178.071.

Sec. 2. Minnesota Statutes 2023 Supplement, section 178.01, is amended to read:

#### **178.01 PURPOSES.**

The purposes of this chapter are: to open to all people regardless of race, color, creed, religion, national origin, sex, creed, color or national origin, gender identity, sexual orientation, marital status, familial status, disability, status with regard to public assistance, or age the opportunity to obtain training and on-the-job learning that will equip them for profitable employment and citizenship; to establish as a means to this end, a program of voluntary apprenticeship under approved apprenticeship agreements providing facilities for their training and guidance in the arts, skills, and crafts of industry and trade or occupation, with concurrent, supplementary instruction in related subjects; to promote apprenticeship opportunities under conditions providing adequate training and on-the-job learning and reasonable earnings; to relate the supply of skilled workers to employment demands; to establish standards for apprentice training; to establish an Apprenticeship Advisory Board and apprenticeship committees to assist in effectuating the purposes of this chapter; to provide for a Division of Apprenticeship within the Department of Labor and Industry; to provide for reports to the legislature regarding the status of apprentice training in the state; to establish a procedure for the determination of apprenticeship agreement controversies; and to accomplish related ends.

Sec. 3. Minnesota Statutes 2022, section 178.011, subdivision 9, is amended to read:

Subd. 9. **Journeyworker.** "Journeyworker" means a person who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the trade or occupation. Use of the term may also refer to a mentor, technician, specialist, or other skilled worker who has documented sufficient skills and knowledge of an occupation, either through formal apprenticeship or through practical on-the-job experience and formal training.

Sec. 4. Minnesota Statutes 2022, section 178.012, subdivision 1, is amended to read:

Subdivision 1. **Apprenticeship rules.** Federal regulations governing apprenticeship ~~in effect on January 18, 2017,~~ as provided by Code of Federal Regulations, title 29, parts 29, sections 29.1 to 29.6 and 29.11, and 30, are the apprenticeship rules in this state, subject to amendment by this chapter or by rule under section 178.041.

Sec. 5. Minnesota Statutes 2022, section 178.035, subdivision 2, is amended to read:

Subd. 2. **Provisional approval.** The division shall grant a provisional approval period of one year to an applicant demonstrating that the standards submitted meet the requirements of this chapter. The division may review each program granted provisional approval for quality and for conformity with the requirements of this section and section 178.036 at any time, but not less than biannually, during the provisional approval period. After review:

(1) a program that conforms with the requirements of this chapter:

(i) may be ~~approved~~ made permanent; or

(ii) may continue to be provisionally approved through the first full training cycle; and

(2) a program not in operation or not conforming with the requirements of this chapter during the provisional approval period shall be deregistered.

The division shall inform the applicant of the results of its review in writing at least 30 days prior to the expiration of the provisional approval period.

Sec. 6. Minnesota Statutes 2022, section 178.035, subdivision 4, is amended to read:

Subd. 4. **Program modification.** To apply for modification of or change to a registered program, a sponsor shall submit a written request for modification to the division. The division shall approve or disapprove a modification request within 90 days from the date of receipt. If approved, the modification or change must be recorded and acknowledged within 90 days of its approval as an amendment to the registered program. If not approved, the division shall notify the sponsor in writing of the disapproval and the reasons for the disapproval. The division may provide technical assistance to a sponsor seeking to modify or change a registered program. The division may require program modification to ensure standards of apprenticeship that comply with the requirements of Code of Federal Regulations, title 29, part 29, section 29.5, and this chapter.

Sec. 7. Minnesota Statutes 2022, section 178.035, subdivision 6, is amended to read:

Subd. 6. **Certificate.** Upon ~~registration~~ provisional approval of a program, the commissioner shall issue a certificate of registration to the sponsor. Within ~~30~~ 45 days after the certificate is mailed or otherwise delivered to the sponsor, the sponsor must submit to the commissioner a copy of at least one executed apprenticeship agreement.

Sec. 8. Minnesota Statutes 2022, section 178.035, subdivision 7, is amended to read:

Subd. 7. **Policy requirement.** It must be the policy of the employer and sponsor that the recruitment, selection, employment, and training of apprentices during their apprenticeship must be without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, ~~physical or mental~~ family status, disability, ~~receipt of status with regard~~



to public assistance, or age. The employer and sponsor must take affirmative action to provide equal opportunity in apprenticeship and must operate the apprenticeship program as required under Code of Federal Regulations, title 29, part 30, and under the Minnesota plan for equal opportunity in apprenticeship.

Sec. 9. Minnesota Statutes 2022, section 178.036, subdivision 3, is amended to read:

Subd. 3. **Related instruction.** A minimum of 144 hours of related instruction is required in each training cycle. At least 50 hours of related safety instruction is required during the term of apprenticeship. Time spent in related instruction cannot be considered as hours of work as required by the ~~job work~~ process schedule. Related instruction must be designated in hours for each individual trade or occupation included in the standards. Every apprenticeship instructor must meet the Department of Education's requirements for a vocational-technical career and technical education instructor or be a subject matter expert, which is an individual such as a journeyworker who is recognized within an industry as having expertise in a specific trade or occupation.

Sec. 10. Minnesota Statutes 2022, section 178.036, subdivision 4, is amended to read:

Subd. 4. **Job Work process schedule.** Each ~~time-based~~ apprenticeship program must include not less than 2,000 hours of reasonably continuous employment.

Sec. 11. Minnesota Statutes 2022, section 178.036, subdivision 5, is amended to read:

Subd. 5. **Ratios.** If the apprentice is covered by a collective bargaining agreement, the employer must follow the provisions of the collective bargaining agreement regarding the maximum number of apprentices to be employed at the work site for each journeyworker employed at the same work site. In the absence of a collective bargaining agreement, for the purposes of direct supervision and the safety and instruction of the apprentice, the ratio shall be:

(1) one apprentice for ~~the first each~~ journeyworker employed at the work site ~~plus one apprentice for each additional three journeyworkers employed at the work site;~~ except that for occupations in the building and construction trades or any hazardous occupation as defined by section 181A.04, subdivision 5, one apprentice for the first journeyworker employed at the work site plus one apprentice for each additional three journeyworkers employed at the work site;

(2) the work site ratio utilized by the majority of registered apprenticeship agreements in the same trade or occupation; or

(3) a program-specific ratio that has been approved by the Apprenticeship Advisory Board.

Sec. 12. Minnesota Statutes 2022, section 178.036, subdivision 6, is amended to read:

Subd. 6. **Graduated schedule of wages.** The graduated schedule of wages for an apprenticeship program shall be calculated as a percentage of the journeyworker rate in the majority of registered apprenticeship agreements in the same trade or occupation in the state. If there are no registered apprenticeship agreements in the same trade or occupation, the graduated schedule of wages may be determined by the sponsor with the approval of the division.

Sec. 13. Minnesota Statutes 2022, section 178.036, subdivision 7, is amended to read:

Subd. 7. **Probationary period.** The standards must provide a period of probation of not more than ~~500 hours of employment and instruction extending over not more than four months~~ one year or 25 percent of the length of the program, whichever is shorter, during which time the apprenticeship agreement shall be terminated by the director upon written request of either party, and providing that after such probationary period the apprenticeship agreement may be terminated by the director by mutual agreement of all parties thereto, or terminated by the director for good and sufficient reason.

Sec. 14. Minnesota Statutes 2022, section 178.044, subdivision 3, is amended to read:

Subd. 3. **Journeyworker wage rate.** If the apprentice is not covered by a collective bargaining agreement, the journeyworker wage rate upon which the apprenticeship agreement graduated schedule of wages is calculated shall be:

(1) the most current Minnesota state prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located. If an apprenticeship agreement ~~entered into after January 1, 2015,~~ does not specify fringe benefits, the journeyworker wage rate upon which the apprentice wage rate is calculated must be the total rate listed in the wage determination; or

(2) if there is no Minnesota prevailing wage rate determination for the same trade or occupation in the county in which the apprentice's employer is located, the journeyworker wage may be determined by the sponsor with the approval of the division.

Sec. 15. Minnesota Statutes 2022, section 178.07, subdivision 1, is amended to read:

Subdivision 1. **Approval required.** (a) The division shall approve, if it determines that it is in the best interest of the apprentice, an apprenticeship agreement prepared by the sponsor on a form provided by the commissioner that meets the standards established in this section.

~~(b) All terminations, cancellations, and transfers of apprenticeship agreements shall be approved by the division in writing.~~ The division must be notified in writing by the sponsor within 45 days of all terminations, cancellations, or transfer of apprenticeship agreements.

Sec. 16. Minnesota Statutes 2022, section 178.07, subdivision 3, is amended to read:

Subd. 3. **Contents.** Every apprenticeship agreement entered into under this chapter shall contain:

(1) the names of the contracting parties, and the signatures required by subdivision 2;

(2) the date of birth, and information as to the race, ethnicity, and sex of the apprentice, and, on a voluntary basis, the apprentice's Social Security number, disability status, and veteran status;

(3) contact information of the sponsor and the division;

(4) a statement of the trade or occupation which the apprentice is to be taught, the date on which the apprenticeship will begin, and the number of hours to be spent by the apprentice in work and the number of hours to be spent in concurrent, related instruction;

(5) a statement of the wages to be paid the apprentice under sections 178.036, subdivision 6, and 178.044, as applicable;

(6) a statement listing any fringe benefits to be provided to the apprentice;

(7) a statement incorporating as part of the agreement the registered standards of the apprenticeship program on the date of the agreement and as they may be amended during the period of the agreement;

(8) a statement that the apprentice will be accorded equal opportunity in all phases of apprenticeship employment and training, without discrimination due to race, color, creed, religion, national origin, sex, gender identity, sexual orientation, marital status, ~~physical or mental~~ familial status, disability, ~~receipt of~~ status with regard to public assistance, or age; and

(9) such additional terms and conditions as may be prescribed or approved by the commissioner not inconsistent with the provisions of this chapter.

Sec. 17. [178.071] APPRENTICE DATA.

Subdivision 1. Definition. "Apprentice data" means data on individuals collected, maintained, used, or disseminated because an individual has applied for or has been submitted for registration as an apprentice with the Division of Apprenticeship, or is currently or has been registered as an apprentice with the Division of Apprenticeship.

Subd. 2. Classification. Apprentice data are private data on individuals.

Subd. 3. Data sharing. Apprentice data may be shared with a state agency for the purpose of determining compliance with section 116J.871 or 177.41 to 177.44. The division may provide apprentice data to the United States Department of Labor.

Sec. 18. Minnesota Statutes 2022, section 178.09, subdivision 2, is amended to read:

Subd. 2. **Determination; appeal.** Within 90 days after the receipt of a complaint, the division must issue a determination. The determination of the division shall be filed with the commissioner and written notice shall be served on all parties affected by it. Any person aggrieved by any determination or action of the director may appeal to the commissioner. If no appeal is filed with the commissioner within ~~ten~~ 15 days of the date of service, the division's determination shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for it. Within 30 days after submission, the commissioner may adopt the recommended decision of the board, or disregard the recommended decision of the board and prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by it. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a

person aggrieved by a final decision in a contested case is entitled to judicial review. The commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

Sec. 19. Minnesota Statutes 2022, section 178.091, subdivision 2, is amended to read:

Subd. 2. **Grounds.** (a) The commissioner may deregister a registered apprenticeship program or deny an application for registration if:

(1) the program does not comply with any requirement of Code of Federal Regulations, title 29, part 29 or ~~32~~ 30, this chapter, or any rule adopted pursuant to section 178.041;

(2) the program does not have at least one registered apprentice in each trade or occupation, except for the following specified periods of time:

(i) within the first ~~30~~ 45 days after the date a program is registered; or

(ii) within one year of the date that a program graduates an apprentice in a trade or occupation and the date of registration for the next apprentice in that trade or occupation; or

(3) the program is not conducted, operated, or administered in accordance with the program's registered standards or with the requirements of this chapter, including but not limited to:

(i) failure to provide on-the-job learning;

(ii) failure to provide related instruction;

(iii) failure of an employer to pay the apprentice a progressively increasing schedule of wages consistent with the apprentice's skills acquired; or

(iv) persistent and significant failure to perform successfully.

(b) The commissioner may deregister an apprenticeship program at the written request of the sponsor in a manner consistent with the provisions of Code of Federal Regulations, title 29, part 29, section 29.8(a).

Sec. 20. Minnesota Statutes 2022, section 178.091, subdivision 4, is amended to read:

Subd. 4. ~~Orders; hearings related to orders~~ **Corrective action.** ~~(a)~~ If the commissioner determines that a registered apprenticeship program should be deregistered or that an application for registration should be denied, the commissioner shall issue to and serve on the sponsor ~~an order deregistering the program's registration or denying the application for registration.~~ a notice to correct containing the following:

~~(b) An order issued under this subdivision must specify:~~

(1) the deficiency and the required remedy or corrective action;

(2) the time period to effectuate the required remedy or corrective action, which shall be no less than 30 days and no more than 90 60 days; and

(3) any other requirement consistent with Code of Federal Regulations, title 29, part 29, section 29.8(b).

~~(e) The sponsor to whom the commissioner issues an order under this subdivision may appeal to a hearing board appointed consistent with section 178.09, subdivision 2.~~

Sec. 21. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 5. **Denial of application.** If an applicant for registration does not take the required corrective action within the allotted time, the commissioner may deny the application for registration.

Sec. 22. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 6. **Order of deregistration.** If the registered apprenticeship program does not take the required corrective action within the allotted time, the commissioner may issue an order of deregistration containing the following:

(1) that certain deficiencies were identified in the notice to correct and the registered apprenticeship program did not take the required corrective action;

(2) based on the deficiencies stated in the notice to correct and the failure of the registered apprentice program to remedy those deficiencies, a determination has been made that there is reasonable cause to deregister the program;

(3) that the registered apprenticeship program may appeal this determination within 15 days to the commissioner consistent with subdivision 7; and

(4) that, if the registered apprenticeship program does not appeal the determination, the order becomes final.

Sec. 23. Minnesota Statutes 2022, section 178.091, is amended by adding a subdivision to read:

Subd. 7. **Appeal.** Any person aggrieved by an order of deregistration may appeal to the commissioner. If no appeal is filed with the commissioner within 15 days of the date of service, the order of deregistration shall become the final order of the commissioner. If an appeal is filed, the commissioner shall appoint and convene a hearing board to be composed of three members of the Apprenticeship Advisory Board appointed under section 178.02, one member being a representative of an employer organization, one representative being a member of an employee organization, and one member representing the general public. The board shall hold a hearing on the appeal after due notice to the interested parties and shall submit to the commissioner findings of fact and a recommended decision accompanied by a memorandum of the reasons for the recommended decision. Within 30 days after submission, the commissioner may adopt the recommended decision of the board or disregard the recommended decision of the board and prepare a decision based on the findings of fact and accompanied by a memorandum of reasons for that decision. Written notice of the commissioner's determination and order shall be served on all parties affected by the commissioner's determination. Any person aggrieved by the commissioner's determination and order under this section is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The

commissioner's determination and order under this section shall be a final decision and order of the department for purposes of sections 14.63 to 14.68.

Sec. 24. Minnesota Statutes 2022, section 178.10, is amended to read:

**178.10 LIMITATION.**

(a) The provisions of this chapter shall have no application to those individuals who are apprenticed by the commissioner of corrections pursuant to sections 242.43 and 242.44.

(b) Nothing in this chapter or any apprenticeship agreement operates to invalidate:

(1) any apprenticeship provision in any collective bargaining agreement between employers and employees establishing higher apprenticeship standards; or

(2) any special provision for veterans, ~~minority persons~~ people of color, individuals with a disability, or women, in the standards, apprentice qualifications, or operation of the program or in the apprenticeship agreement which is not otherwise prohibited by law.

Sec. 25. **REPEALER.**

(a) Minnesota Rules, part 5200.0400, is repealed.

(b) Minnesota Statutes 2022, section 178.036, subdivision 10, is repealed.

**ARTICLE 5**

**BUREAU OF MEDIATION SERVICES**

Section 1. Minnesota Statutes 2022, section 179.01, subdivision 1, is amended to read:

Subdivision 1. ~~**Words, terms, and phrases**~~ **Scope.** Unless the language or context clearly indicates that a different meaning is intended, the ~~following words, terms, and phrases, for the purposes of sections 179.01 to 179.17, shall be given the meanings subjoined to them~~ defined in this section have the meanings given them for purposes of sections 179.01 to 179.17.

Sec. 2. Minnesota Statutes 2022, section 179.01, subdivision 9, is amended to read:

Subd. 9. **Lockout.** "Lockout" ~~is~~ means the refusal of the employer to furnish work to employees as a result of a labor dispute.

Sec. 3. Minnesota Statutes 2022, section 179.01, subdivision 16, is amended to read:

Subd. 16. **Professional strikebreaker.** (a) "Professional strikebreaker" means any person who:

(~~a~~) (1) makes an offer to an employer at whose place of business a labor dispute is presently in progress to work as a replacement for an employee or employees involved in such labor dispute; and

~~(b)~~ (2) during a period of five years immediately preceding such offer, has, on more than one occasion, made an offer to employers to work as a temporary employee to personally replace employees involved in labor disputes.

(b) For the purposes of this subdivision:

(1) "work" ~~shall mean~~ means the rendering of services for wages or other consideration. ~~For the purposes of this subdivision;~~ and

(2) "offer" ~~shall include~~ includes arrangements made for or on behalf of employers by any person.

Sec. 4. Minnesota Statutes 2022, section 179.06, is amended to read:

#### **179.06 COLLECTIVE BARGAINING AGREEMENTS.**

Subdivision 1. **Notices.** (a) When any employee, employees, or representative of employees, or labor organization shall desire to negotiate a collective bargaining agreement, or make any change in any existing agreement, or shall desire any changes in the rates of pay, rules or working conditions in any place of employment, it shall give written notice to the employer of its demand, which notice shall follow the employer if the place of employment is changed, and it shall thereupon be the duty of the employer and the representative of employee or labor organization to endeavor in good faith to reach an agreement respecting such demand. An employer shall give a like notice to employees, representative, or labor organizations of any intended change in any existing agreement. If no agreement is reached at the expiration of ten days after service of such notice, any employees, representative, labor organization, or employer may at any time thereafter petition the commissioner of mediation services to take jurisdiction of the dispute and it shall be unlawful for any labor organization or representative to institute or aid in the conduct of a strike or for an employer to institute a lockout, unless such petition has been served by the party taking such action upon the commissioner and the other parties to the labor dispute at least ten days before the strike or lockout becomes effective. Unless the strike or lockout is commenced within 90 days from the date of service of the petition upon the commissioner, it shall be unlawful for any of the parties to institute or aid in the conduct of a strike or lockout without serving a new petition in the manner prescribed for the service of the original petition, provided that the 90-day period may be extended by written agreement of the parties filed with the commissioner.

(b) A petition by the employer shall be signed by the employer or a duly authorized officer or agent; and a petition by the employees shall be signed by their representative or its officers, or by the committee selected to negotiate with the employer. In either case the petition shall be served by delivering it to the commissioner in person or by sending it by certified mail addressed to the commissioner at the commissioner's office. The petition shall state briefly the nature of the dispute and the demands of the party who serves it. Upon receipt of a petition, the commissioner shall fix a time and place for a conference with the parties to the labor dispute upon the issues involved in the dispute, and shall then take whatever steps the commissioner deems most expedient to bring about a settlement of the dispute, including assisting in negotiating and drafting a settlement agreement. It shall be the duty of all parties to a labor dispute to respond to the summons of the commissioner for joint or several conferences with the commissioner and to continue in such

conference until excused by the commissioner, not beyond the ten-day period heretofore prescribed except by mutual consent of the parties.

Subd. 2. **Commissioner, powers and duties.** The commissioner may at the request of either party to a labor dispute render assistance in settling the dispute without the necessity of filing the formal petition ~~referred to in~~ under subdivision 1. If the commissioner takes jurisdiction of the dispute as a result of such a request, the commissioner ~~shall~~ must then proceed ~~as provided in~~ according to subdivision 1.

Sec. 5. Minnesota Statutes 2022, section 179.08, is amended to read:

#### **179.08 POWERS OF COMMISSION APPOINTED BY COMMISSIONER.**

(a) The commission appointed by the commissioner pursuant to the provisions of section 179.07 shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence which relates to any matter involved in any such hearing, and may by its chair administer oaths and affirmations, and may examine witnesses. Such attendance of witnesses and the production of such evidence may be required from any place in the state at any designated place of hearing, but whenever practical hearings shall be held in a county where the labor dispute has arisen or exists.

(b) In case of contumacy or refusal to obey a subpoena issued under paragraph (a), the district court of the state for the county where the proceeding is pending or in which the person guilty of such contumacy or refusal to obey is found, or resides, or transacts business, or application by the commission shall have jurisdiction to issue to such person an order requiring such person to appear before the commission, there to produce evidence as so ordered, or there to give testimony touching the matter under investigation or in question, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Any party to or party affected by the dispute may appear before the commission in person or by attorney or by their representative, and shall have the right to offer competent evidence and to be heard on the issues before the report of the commission is made.

~~(d) Any commissioners so appointed shall~~ (d) commission members appointed under section 179.07 must be paid a per diem allowance not to exceed that established for arbitrators in section 179A.16, subdivision 8, and their necessary expenses while serving.

Sec. 6. Minnesota Statutes 2022, section 179.11, is amended to read:

#### **179.11 EMPLOYEE UNFAIR LABOR PRACTICES.**

(a) It shall be is an unfair labor practice:

(1) for any employee or labor organization to institute a strike if such strike is a violation of any valid collective agreement between any employer and its employees or labor organization and the employer is, at the time, in good faith complying with the provisions of the agreement, or to violate the terms and conditions of such bargaining agreement;



(2) for any employee or labor organization to institute a strike if the calling of such strike is in violation of sections 179.06 or 179.07;

(3) for any person to seize or occupy property unlawfully during the existence of a labor dispute;

(4) for any person to picket or cause to be picketed a place of employment of which place the person is not an employee while a strike is in progress affecting the place of employment, unless the majority of persons engaged in picketing the place of employment at these times are employees of the place of employment;

(5) for more than one person to picket or cause to be picketed a single entrance to any place of employment where no strike is in progress at the time;

(6) for any person to interfere in any manner with the operation of a vehicle or the operator thereof when neither the owner nor operator of the vehicle is at the time a party to a strike;

(7) for any employee, labor organization, or officer, agent, or member thereof, to compel or attempt to compel any person to join or to refrain from joining any labor organization or any strike against the person's will by any threatened or actual unlawful interference with the person, or immediate family member, or physical property, or to assault or unlawfully threaten any such person while in pursuit of lawful employment;

(8) unless the strike has been approved by a majority vote of the voting employees in a collective bargaining unit of the employees of an employer or association of employers against whom such strike is primarily directed, for any person or labor organization to cooperate in engaging in, promoting, or inducing a strike. Such vote shall be taken by secret ballot at an election called by the collective bargaining agent for the unit, and reasonable notice shall be given to all employees in the collective bargaining unit of the time and place of election; or

(9) for any person or labor organization to hinder or prevent by intimidation, force, coercion or sabotage, or by threats thereof, the production, transportation, processing or marketing by a producer, processor or marketing organization, of agricultural products, or to combine or conspire to cause or threaten to cause injury to any processor, producer or marketing organization, whether by withholding labor or other beneficial intercourse, refusing to handle, use or work on particular agricultural products, or by other unlawful means, in order to bring such processor or marketing organization against its will into a concerted plan to coerce or inflict damage upon any producer; provided that nothing in this subsection shall prevent a strike which is called by the employees of such producer, processor or marketing organization for the bona fide purpose of improving their own working conditions or promoting or protecting their own rights of organization, selection of bargaining representative or collective bargaining.

The violation of clauses (2), (3), (4), (5), (6), (7), (8) and (9) are hereby declared to be unlawful acts.

(b) It is an unlawful act to violate paragraph (a), clause (2), (3), (4), (5), (6), (7), (8), or (9).

Sec. 7. Minnesota Statutes 2022, section 179.12, is amended to read:

**179.12 EMPLOYERS' EMPLOYER UNFAIR LABOR PRACTICES.**

(a) It is an unfair labor practice for an employer:

(1) to institute a lockout of its employees in violation of a valid collective bargaining agreement between the employer and its employees or labor organization if the employees at the time are in good faith complying with the provisions of the agreement, or to violate the terms and conditions of the bargaining agreement;

(2) to institute a lockout of its employees in violation of section 179.06 or 179.07;

(3) to encourage or discourage membership in a labor organization by discrimination in regard to hire or tenure of employment or any terms or conditions of employment; provided, that this clause does not apply to the provisions of collective bargaining agreements entered into voluntarily by an employer and its employees or a labor organization representing the employees as a bargaining agent, as provided by section 179.16;

(4) to discharge or otherwise to discriminate against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under this chapter;

(5) to spy directly or through agents or any other persons upon activities of employees or their representatives in the exercise of their legal rights;

(6) to distribute or circulate a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing individuals who are blacklisted from obtaining or retaining employment;

(7) to engage or contract for the services of a person who is an employee of another if the employee is paid a wage that is less than the wage to be paid by the engaging or contracting employer under an existing union contract for work of the same grade or classification;

(8) willfully and knowingly to utilize a professional strikebreaker to replace an employee or employees involved in a strike or lockout at a place of business located within this state; or

(9) to grant or offer to grant the status of permanent replacement employee to a person for performing bargaining unit work for an employer during a lockout of employees in a labor organization or during a strike of employees in a labor organization authorized by a representative of employees.

~~The violation of (b) It is an unlawful act to violate paragraph (a), clause (2), (4), (5), (6), (7), (8), or (9) is an unlawful act.~~

Sec. 8. Minnesota Statutes 2022, section 179.254, subdivision 1, is amended to read:

Subdivision 1. **Scope.** For the purposes of sections 179.254 to ~~179.256~~ 179.257, the following terms ~~shall~~ defined in this section have the meanings ~~subscribed to~~ given them.

Sec. 9. Minnesota Statutes 2022, section 179.256, is amended to read:

**179.256 NOTIFICATION NOTIFYING CONSTRUCTION WORKER OF REIMBURSEMENT.**

Whenever a construction worker may qualify for the reimbursement of benefit payments to a home benefit fund ~~as described in~~ under section 179.255, the trustees of the benefit fund of which the worker is a member, or their agent, shall so notify the trustees of the benefit fund to which payments will be made during the temporary period of work. Such notification shall be made promptly in writing and shall include the name, address, and Social Security number of the construction worker and the starting date of the temporary period of work.

Sec. 10. Minnesota Statutes 2022, section 179.26, is amended to read:

**179.26 DEFINITIONS; ~~CERTAIN REPRESENTATION DISPUTES.~~**

When used in sections 179.26 to 179.29, unless the context clearly indicates otherwise, ~~each of the following words: "employee," "labor organization," "strike," and "lockout shall"~~ have the meaning ascribed to it meanings given them in section 179.01.

Sec. 11. Minnesota Statutes 2022, section 179.27, is amended to read:

**179.27 STRIKES OR BOYCOTTS PROHIBITED.**

When certification of a representative of employees for collective bargaining purposes has been made by proper federal or state authority, it is unlawful during the effective period of such certification for any employee, representative of employees, or labor organization to conduct a strike or boycott against the employer of such employees or to picket any place of business of the employer in order, by such strike, boycott, or picketing, to:

- (1) ~~to~~ deny the right of the representative so certified to act as such representative ~~or;~~
- (2) ~~to~~ prevent such representative from acting as authorized by such certification; ~~or~~
- (3) ~~to~~ interfere with the business of the employer in an effort to do either act ~~specified in clauses under clause (1) and or (2) hereof.~~

Sec. 12. Minnesota Statutes 2022, section 179.35, subdivision 1, is amended to read:

Subdivision 1. **Scope.** Unless the language or context clearly indicates that a different meaning is intended, the ~~following words, terms and phrases, for the purposes of sections 179.35 to 179.39, shall be given~~ defined in this section have the meanings ~~subjoined to~~ given them for purposes of sections 179.35 to 179.39.

Sec. 13. Minnesota Statutes 2022, section 179.40, is amended to read:

**179.40 SECONDARY BOYCOTT; ~~DECLARATION OF PUBLIC POLICY.~~**

(a) As a guide to the interpretation and application of sections 179.40 to 179.47, the public policy of this state is declared to be:

(1) to protect and promote the interests of the public, employees, and employers alike, with due regard to the situation and to the rights of the others;

(2) to promote industrial peace, regular and adequate income for employees, and uninterrupted production of goods and services; and

(3) to reduce the serious menace to the health, morals, and welfare of the people of this state arising from economic insecurity due to stoppages and interruptions of business and employment.

(b) It is recognized that whatever may be the rights of disputants with respect to each other in any controversy, they should not be permitted, in their controversy, to intrude directly into the primary rights of third parties to earn a livelihood, transact business, and engage in the ordinary affairs of life by lawful means and free from molestation, interference, restraint, or coercion. The legislature, therefore, declares that, in its considered judgment, the public good and the general welfare of the citizens of this state will be promoted by prohibiting secondary boycotts and other coercive practices in this state.

Sec. 14. Minnesota Statutes 2022, section 179.43, is amended to read:

**179.43 ILLEGAL COMBINATION; ~~VIOLATION OF~~ VIOLATING PUBLIC POLICY.**

A secondary boycott as ~~hereinbefore~~ defined under section 179.41 is ~~hereby declared to be~~ an illegal combination in restraint of trade and in violation of the public policy of this state.

Sec. 15. Minnesota Statutes 2022, section 179A.02, is amended to read:

**179A.02 CITATION.**

Sections 179A.01 to 179A.25 ~~shall be known~~ may be cited as the "Public Employment Labor Relations Act."

Sec. 16. Minnesota Statutes 2022, section 179A.03, subdivision 17, is amended to read:

Subd. 17. **Supervisory employee.** (a) "Supervisory employee" means a person who has the authority to undertake a majority of the following supervisory functions in the interests of the employer: hiring, transfer, suspension, promotion, discharge, assignment, reward, or discipline of other employees, direction of the work of other employees, or adjustment of other employees' grievances on behalf of the employer. To be included as a supervisory function which the person has authority to undertake, the exercise of the authority by the person may not be merely routine or clerical in nature but must require the use of independent judgment. An employee, other than an essential employee, who has authority to effectively recommend a supervisory function, is deemed to have authority to undertake that supervisory function for the purposes of this subdivision. The administrative head of a municipality, municipal utility, or police or fire department, and the administrative head's assistant, are always considered supervisory employees.

(b) The removal of employees by the employer from a nonsupervisory appropriate unit for the purpose of designating the employees as "supervisory employees" shall require either the prior written agreement of the exclusive representative and the written approval of the commissioner or a separate determination by the commissioner before the redesignation is effective.

Sec. 17. Minnesota Statutes 2022, section 179A.06, subdivision 1, is amended to read:

Subdivision 1. ~~Expression of~~ **Expressing views.** (a) Sections 179A.01 to 179A.25 do not affect the right of any public employee or the employee's representative to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as this is not designed to and does not interfere with the full faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative. Sections 179A.01 to 179A.25 do not require any public employee to perform labor or services against the employee's will.

(b) If no exclusive representative has been certified, any public employee individually, or group of employees through their representative, has the right to express or communicate a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment, by meeting with their public employer or the employer's representative, so long as this is not designed to and does not interfere with the full, faithful, and proper performance of the duties of employment.

Sec. 18. Minnesota Statutes 2022, section 179A.06, subdivision 2, is amended to read:

Subd. 2. **Right to organize.** (a) Public employees have the right to form and join labor or employee organizations, and have the right not to form and join such organizations. Public employees in an appropriate unit have the right by secret ballot to designate an exclusive representative to negotiate grievance procedures and the terms and conditions of employment with their employer. Confidential employees of the state, confidential court employees, and confidential University of Minnesota employees are excluded from bargaining. Supervisory and managerial court employees are excluded from bargaining. Supervisory, managerial, and confidential employees of Hennepin Healthcare System, Inc., are excluded from bargaining. Other confidential employees, supervisory employees, principals, and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with sections 179A.01 to 179A.25, applicable to essential employees.

(b) Supervisory or confidential employee organizations shall not participate in any capacity in any negotiations which involve units of employees other than supervisory or confidential employees. Except for organizations which represent supervisors who are: (1) firefighters, emergency medical service employees certified under section 144E.28, 911 system public safety dispatchers, peace officers subject to licensure under sections 626.84 to 626.863, guards at correctional facilities, or employees at hospitals other than state hospitals; and (2) not state or University of Minnesota employees, a supervisory or confidential employee organization which is affiliated with another employee organization which is the exclusive representative of nonsupervisory or nonconfidential employees of the same public employer shall not be certified, or act as, an exclusive representative for the supervisory or confidential employees. For the purpose of this subdivision, affiliation means either direct or indirect and includes affiliation through a federation or joint body of employee organizations.

Sec. 19. Minnesota Statutes 2022, section 179A.06, subdivision 3, is amended to read:

Subd. 3. **Fair share fee.** (a) An exclusive representative may require employees who are not members of the exclusive representative to contribute a fair share fee for services rendered by the exclusive representative. The fair share fee must be equal to the regular membership dues of the

exclusive representative, less the cost of benefits financed through the dues and available only to members of the exclusive representative. In no event may the fair share fee exceed 85 percent of the regular membership dues. The exclusive representative shall provide advance written notice of the amount of the fair share fee to the employer and to unit employees who will be assessed the fee. The employer shall provide the exclusive representative with a list of all unit employees.

(b) A challenge by an employee or by a person aggrieved by the fee must be filed in writing with the commissioner, the public employer, and the exclusive representative within 30 days after receipt of the written notice. All challenges must specify those portions of the fee challenged and the reasons for the challenge. The burden of proof relating to the amount of the fair share fee is on the exclusive representative. The commissioner shall hear and decide all issues in these challenges.

(c) The employer shall deduct the fee from the earnings of the employee and transmit the fee to the exclusive representative 30 days after the written notice was provided. If a challenge is filed, the deductions for a fair share fee must be held in escrow by the employer pending a decision by the commissioner.

Sec. 20. Minnesota Statutes 2022, section 179A.08, subdivision 2, is amended to read:

Subd. 2. **Meet and confer.** The professional employees shall select a representative to meet and confer with a representative or committee of the public employer on matters not specified under section 179A.03, subdivision 19, relating to the services being provided to the public. The public employer shall provide the facilities and set the time for these ~~conferences~~ meetings to take place. The parties shall meet at least once every four months.

Sec. 21. Minnesota Statutes 2022, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. **Exclusions.** (a) The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;

(3) positions of all unclassified employees appointed by a constitutional officer;

(4) positions in the Bureau of Mediation Services and the Public Employment Relations Board;

(5) positions of employees whose classification is pilot or chief pilot;

(6) administrative law judge and compensation judge positions in the Office of Administrative Hearings;

(7) positions of all confidential employees; and

(8) positions of employees of the State Board of Investment who are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b.

(b) The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 22. Minnesota Statutes 2022, section 179A.104, subdivision 1, is amended to read:

Subdivision 1. **Employee units.** (a) The state Board of Public Defense shall meet and negotiate with the exclusive representative of each of the statewide units specified in this section. The units provided in this section are the only appropriate statewide units for state employees of the board. Employees of the state Board of Public Defense, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. The following are the appropriate statewide units of state employees of the board:

- (1) Assistant District and Assistant State Public Defender Unit; and
- (2) Clerical and Support Staff Unit.

(b) Each unit consists of the classifications or positions assigned to it in the schedule of job classifications and positions maintained by the state Board of Public Defense.

Sec. 23. Minnesota Statutes 2022, section 179A.12, subdivision 1, is amended to read:

Subdivision 1. **Certification continued.** (a) Any employee organization holding formal recognition by order of the commissioner or by employer voluntary recognition on the effective date of Extra Session Laws 1971, chapter 33, under any law that is repealed by Extra Session Laws 1971, chapter 33, is certified as the exclusive representative until it is decertified or another representative is certified in its place.

(b) Any teacher organization as defined by Minnesota Statutes 1969, section 125.20, subdivision 3, which on the effective date of Extra Session Laws 1971, chapter 33, has a majority of its members on a teacher's council in a school district as provided in Minnesota Statutes 1969, section 125.22 is certified as the exclusive representative of all teachers of that school district until the organization is decertified or another organization is certified in its place.

Sec. 24. Minnesota Statutes 2022, section 179A.15, is amended to read:

#### **179A.15 MEDIATION.**

Subdivision 1. **Petitioning commissioner.** Once notice has been given under section 179A.14, the employer or the exclusive representative may petition the commissioner for mediation services.

Subd. 2. **Petition requirements; scheduling mediation.** (a) A petition by an employer shall be signed by the employer or an authorized officer or agent. A petition by an exclusive representative shall be signed by its authorized officer. All petitions shall be served on the commissioner in writing. The petition shall state briefly the nature of the disagreement of the parties.

(b) Upon receipt of a petition and upon concluding that mediation would be useful, the commissioner shall fix a time and place for a ~~conference~~ meeting with the parties to negotiate the issues not agreed upon, and shall then take the most expedient steps to bring about a settlement, including assisting in negotiating and drafting an agreement.

**Subd. 3. Commissioner-initiated mediation.** If the commissioner determines that mediation would be useful in resolving a dispute, the commissioner may mediate the dispute even if neither party has filed a petition for mediation. In these cases, the commissioner shall proceed as if a petition had been filed.

**Subd. 4. Mediation restricted.** The commissioner shall not furnish mediation services to any employee or employee representative who is not certified as an exclusive representative.

**Subd. 5. Mediation meetings.** All parties shall respond to the summons of the commissioner for ~~conferences~~ meetings and shall continue in ~~conference~~ meeting until excused by the commissioner.

Sec. 25. Minnesota Statutes 2022, section 179A.16, subdivision 1, is amended to read:

Subdivision 1. **Petitioning for arbitration; nonessential employees.** (a) An exclusive representative or an employer of a unit of employees other than essential employees may request interest arbitration by providing written notice of the request to the other party and the commissioner. The written request for arbitration must specify the items to be submitted to arbitration and whether conventional, final-offer total-package, or final-offer item-by-item arbitration is contemplated by the request.

(b) The items to be submitted to arbitration and the form of arbitration to be used are subject to mutual agreement. If an agreement to arbitrate is reached, it must be reduced to writing and a copy of the agreement filed with the commissioner. A failure to respond, or to reach agreement on the items or form of arbitration, within 15 days of receipt of the request to arbitrate constitutes a rejection of the request.

Sec. 26. Minnesota Statutes 2022, section 179A.16, subdivision 7, is amended to read:

**Subd. 7. ~~Decision by Arbitrator or arbitrator panel; issuing decision.~~** (a) The decision must be issued by the arbitrator or a majority vote of the panel. The decision must resolve the issues in dispute between the parties as submitted by the commissioner. For principals and assistant principals, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item. For other employees, if the parties agree in writing, the arbitrator or panel is restricted to selecting between the final offers of the parties on each impasse item, or the final offer of one or the other parties in its entirety. In considering a dispute and issuing its decision, the arbitrator or panel shall consider the statutory rights and obligations of public employers to efficiently manage and conduct their operations within the legal limitations surrounding the financing of these operations. The decision is final and binding on all parties.

(b) The arbitrator or panel shall render its decision within 30 days from the date that all arbitration proceedings have concluded. The arbitrator or panel may not request that the parties waive their right to have the decision rendered within 30 days, unless the commissioner grants an extension of the deadline. The commissioner shall remove from the roster for six months the name of any arbitrator who does not render the decision within 30 days or within the extension granted by the commissioner.



The commissioner shall adopt rules establishing criteria to be followed in determining whether an extension should be granted. The decision must be for the period stated in the decision, except that decisions determining contracts for teacher units are effective to the end of the contract period determined by section 179A.20.

(c) The arbitrator or panel shall send its decision to the commissioner, the appropriate representative of the public employer, and the employees. If any issues submitted to arbitration are settled voluntarily before the arbitrator or panel issues a decision, the arbitrator or panel shall report the settlement to the commissioner.

(d) The parties may, at any time before or after issuance of a decision of the arbitrator or panel, agree upon terms and conditions of employment regardless of the terms and conditions of employment determined by the decision. The parties shall, if so agreeing, execute a written contract or memorandum of contract.

Sec. 27. Minnesota Statutes 2022, section 179A.18, subdivision 2, is amended to read:

Subd. 2. **School district requirements.** Except as otherwise provided by section 179A.17, subdivision 1, teachers employed by a local school district, other than principals and assistant principals, may strike only under the following circumstances:

(1)(i) the collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 179A.17, subdivision 1, has occurred; and

(ii) the exclusive representative and the employer have participated in mediation over a period of at least 30 days. For the purposes of this item the mediation period commences on the day that a mediator designated by the commissioner first attends a ~~conference~~ meeting with the parties to negotiate the issues not agreed upon; and

(iii) neither party has requested interest arbitration or a request for binding interest arbitration has been rejected; or

(2) the employer violates section 179A.13, subdivision 2, clause (9).

Sec. 28. Minnesota Statutes 2022, section 179A.18, subdivision 3, is amended to read:

Subd. 3. **Strike notice.** (a) In addition to the other requirements of this section, no employee may strike unless written notification of intent to strike is served on the employer and the commissioner by the exclusive representative at least ten days prior to the commencement of the strike. For all employees other than teachers, if more than 30 days have expired after service of a notification of intent to strike, no strike may commence until ten days after service of a new written notification. For teachers, no strike may commence more than 25 days after service of notification of intent to strike unless, before the end of the 25-day period, the exclusive representative and the employer agree that the period during which a strike may commence shall be extended for an additional period not to exceed five days. Teachers are limited to one notice of intent to strike for each contract negotiation period, provided, however, that a strike notice may be renewed for an additional ten days, the first five of which shall be a notice period during which no strike may occur, if the following conditions have been satisfied:

(1) an original notice was provided pursuant to this section; ~~and~~

(2) a tentative agreement to resolve the dispute was reached during the original strike notice period; and

(3) such tentative agreement was rejected by either party during or after the original strike notice period.

(b) The first day of the renewed strike notice period shall commence on the day following the expiration of the previous strike notice period or the day following the rejection of the tentative agreement, whichever is later. Notification of intent to strike under subdivisions 1, clause (1); and 2, clause (1), may not be served until the collective bargaining agreement has expired, or if there is no agreement, on or after the date impasse under section 179A.17 has occurred.

Sec. 29. Minnesota Statutes 2022, section 179A.19, subdivision 6, is amended to read:

Subd. 6. **Hearings.** (a) Any public employee is entitled to request the opportunity to establish that the employee did not violate this section. The request shall be filed in writing with the officer or body having the power to remove the employee, within ten days after notice of termination is served upon the employee. The employing officer or body shall within ten days commence a proceeding at which the employee shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by the public employee. If there are contractual grievance procedures, laws or rules establishing proceedings to remove the public employee, the hearing shall be conducted in accordance with whichever procedure the employee elects. The election shall be binding and shall terminate any right to the alternative procedures. The same proceeding may include more than one employee's employment status if the employees' defenses are identical, analogous, or reasonably similar. The proceedings shall be undertaken without unnecessary delay.

(b) Any person whose termination is sustained in the administrative or grievance proceeding may appeal in accordance with chapter 14.

Sec. 30. Minnesota Statutes 2022, section 179A.20, subdivision 4, is amended to read:

Subd. 4. **Grievance procedure.** (a) All contracts must include a grievance procedure providing for compulsory binding arbitration of grievances including all written disciplinary actions. If the parties cannot agree on the grievance procedure, they are subject to the grievance procedure ~~promulgated~~ adopted by the commissioner under section 179A.04, subdivision 3, paragraph (a), clause (8).

(b) Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action is subject to the grievance procedure and compulsory binding arbitration.

(c) Employees covered by civil service systems created under chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, may pursue a grievance through the procedure established under this section. When the grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapter 43A, 44, 375, 387, 419, or 420, by a home rule charter under chapter 410, or by Laws 1941, chapter 423, the employee may

proceed through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with the employee's consent the employee may not proceed in the alternative manner.

(d) A teacher who elects a hearing before an arbitrator under section 122A.40, subdivision 15, or 122A.41, subdivision 13, or who elects or acquiesces to a hearing before the school board may not later proceed in the alternative manner nor challenge the termination or discharge through a grievance procedure required by this subdivision.

(e) This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment.

Sec. 31. Minnesota Statutes 2022, section 179A.23, is amended to read:

**179A.23 LIMITATION ON CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.**

(a) Any contract entered into after March 23, 1982, by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by members of a unit provided in sections 179A.10 and 179A.11, shall be subject to section 16C.06 and shall provide for the preferential employment by a party of members of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

(b) Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16C.08 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the average of the charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.

Sec. 32. Minnesota Statutes 2022, section 626.892, subdivision 12, is amended to read:

Subd. 12. **Interaction with other laws.** (a) Sections 179A.21, subdivision 2, and 572B.11, paragraph (a), and rules for arbitrator selection promulgated pursuant to section 179A.04 shall not apply to discipline-related grievance arbitrations involving peace officers governed under this section.

(b) Notwithstanding any contrary provision of law, home rule charter, ordinance, or resolution, peace officers, through their certified exclusive representatives, shall not have the right to negotiate for or agree to a collective bargaining agreement or a grievance arbitration selection procedure with their employers that is inconsistent with this section.

(c) The arbitrator selection procedure for peace officer grievance arbitrations established under this section supersedes any inconsistent provisions in chapter 179A or 572B or in Minnesota Rules, chapters 5500 to 5530 and ~~7315 to~~ 7325. Other arbitration requirements in those chapters remain

in full force and effect for peace officer grievance arbitrations, except as provided in this section or to the extent inconsistent with this section.

Sec. 33. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 179.35, subdivision 5, as Minnesota Statutes, section 179.35, subdivision 7.

Sec. 34. **REPEALER.**

Minnesota Rules, part 5510.0310, subpart 13, is repealed.

**ARTICLE 6**

**MINIMUM WAGE**

Section 1. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:

Subd. 12. **Large employer.** "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000, exclusive of excise taxes at the retail level that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

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

Sec. 2. Minnesota Statutes 2022, section 177.23, is amended by adding a subdivision to read:

Subd. 13. **Small employer.** "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000, exclusive of excise taxes at the retail level that are separately stated, and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

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

Sec. 3. Minnesota Statutes 2022, section 177.24, subdivision 1, is amended to read:

Subdivision 1. **Amount.** ~~(a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.~~

~~(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.~~

~~(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.~~

~~(b) (a) Except as otherwise provided in sections 177.21 to 177.35,~~

~~(1) every large employer must pay each employee wages at a rate of at least:~~

- ~~(i)~~ (1) \$8.00 per hour beginning August 1, 2014;
- ~~(ii)~~ (2) \$9.00 per hour beginning August 1, 2015;
- ~~(iii)~~ (3) \$9.50 per hour beginning August 1, 2016; and
- ~~(iv)~~ (4) the rate established under paragraph ~~(f)~~ (c) beginning January 1, 2018; ~~and.~~

~~(2) every small employer must pay each employee at a rate of at least:~~

- ~~(i) \$6.50 per hour beginning August 1, 2014;~~
- ~~(ii) \$7.25 per hour beginning August 1, 2015;~~
- ~~(iii) \$7.75 per hour beginning August 1, 2016; and~~
- ~~(iv) the rate established under paragraph (f) beginning January 1, 2018.~~

~~(e)~~ (b) Notwithstanding paragraph ~~(b)~~ (a), during the first 90 consecutive days of employment, an employer may pay an employee under the age of 20 years a wage of at least:

- (1) \$6.50 per hour beginning August 1, 2014;
- (2) \$7.25 per hour beginning August 1, 2015;
- (3) \$7.75 per hour beginning August 1, 2016; and
- (4) the rate established under paragraph ~~(f)~~ (c) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

~~(d) Notwithstanding paragraph (b), an employer that is a "hotel or motel," "lodging establishment," or "resort" as defined in Minnesota Statutes 2012, section 157.15, subdivisions 7, 8, and 11, must pay an employee working under a contract with the employer that includes the provision by the employer of a food or lodging benefit, if the employee is working under authority of a summer work travel exchange visitor program (J) nonimmigrant visa, a wage of at least:~~

- ~~(1) \$7.25 per hour beginning August 1, 2014;~~
- ~~(2) \$7.50 per hour beginning August 1, 2015;~~
- ~~(3) \$7.75 per hour beginning August 1, 2016; and~~
- ~~(4) the rate established under paragraph (f) beginning January 1, 2018.~~

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

(e) Notwithstanding paragraph (b), a large employer must pay an employee under the age of 18 at a rate of at least:

- (1) \$6.50 per hour beginning August 1, 2014;
- (2) \$7.25 per hour beginning August 1, 2015;
- (3) \$7.75 per hour beginning August 1, 2016; and
- (4) the rate established under paragraph (f) beginning January 1, 2018.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

(f)(c) No later than August 31 of each year, beginning in 2017, the commissioner shall determine the percentage increase in the rate of inflation, as measured by the implicit price deflator, national data for personal consumption expenditures as determined by the United States Department of Commerce, Bureau of Economic Analysis during the 12-month period immediately preceding that August or, if that data is unavailable, during the most recent 12-month period for which data is available. The minimum wage rates in paragraphs (a) and (b), (e), (d), and (e) are increased by the lesser of: (1) 2.5 5 percent, rounded to the nearest cent; or (2) the percentage calculated by the commissioner, rounded to the nearest cent. A minimum wage rate shall not be reduced under this paragraph. The new minimum wage rates determined under this paragraph take effect on the next January 1.

(g)(1) No later than September 30 of each year, beginning in 2017, the commissioner may issue an order that an increase calculated under paragraph (f) not take effect. The commissioner may issue the order only if the commissioner, after consultation with the commissioner of management and budget, finds that leading economic indicators, including but not limited to projections of gross domestic product calculated by the United States Department of Commerce, Bureau of Economic Analysis; the Consumer Confidence Index issued by the Conference Board; and seasonally adjusted Minnesota unemployment rates, indicate the potential for a substantial downturn in the state's economy. Prior to issuing an order, the commissioner shall also calculate and consider the ratio of the rate of the calculated change in the minimum wage rate to the rate of change in state median income over the same time period used to calculate the change in wage rate. Prior to issuing the order, the commissioner shall hold a public hearing, notice of which must be published in the State Register, on the department's website, in newspapers of general circulation, and by other means likely to inform interested persons of the hearing, at least ten days prior to the hearing. The commissioner must allow interested persons to submit written comments to the commissioner before the public hearing and for 20 days after the public hearing.

(2) The commissioner may in a year subsequent to issuing an order under clause (1), make a supplemental increase in the minimum wage rate in addition to the increase for a year calculated under paragraph (f). The supplemental increase may be in an amount up to the full amount of the increase not put into effect because of the order. If the supplemental increase is not the full amount, the commissioner may make a supplemental increase of the difference, or any part of a difference, in a subsequent year until the full amount of the increase ordered not to take effect has been included in a supplemental increase. In making a determination to award a supplemental increase under this

~~clause, the commissioner shall use the same considerations and use the same process as for an order under clause (1). A supplemental wage increase is not subject to and shall not be considered in determining whether a wage rate increase exceeds the limits for annual wage rate increases allowed under paragraph (f).~~

**EFFECTIVE DATE.** This section is effective January 1, 2025, except that the amendments to paragraph (c) are effective August 1, 2024.

Sec. 4. Minnesota Statutes 2023 Supplement, section 204B.19, subdivision 6, is amended to read:

Subd. 6. **Trainee election judges.** (a) Notwithstanding any other requirements of this section, a student enrolled in a high school in Minnesota or who is in a home school in compliance with sections 120A.22 and 120A.24, who has attained the age of 16 is eligible to be appointed as a without party affiliation trainee election judge in the county in which the student maintains residence, or a county adjacent to the county in which the student maintains residence. The student must meet qualifications for trainee election judges specified in rules of the secretary of state. A student appointed under this subdivision while enrolled in a high school or receiving instruction in a home school may continue to serve as a trainee election judge after the student graduates and until the student reaches the age of 18.

(b) A student appointed as a trainee election judge may be excused from school attendance during the hours that the student is serving as a trainee election judge if the student submits a written request signed and approved by the student's parent or guardian to be absent from school and a certificate from the appointing authority stating the hours during which the student will serve as a trainee election judge to the principal of the school at least ten days prior to the election. A trainee election judge shall not serve after 10:00 p.m. Notwithstanding section 177.24 to the contrary, trainee election judges may be paid not less than two-thirds of the minimum wage for a ~~large~~ an employer. The principal of the school may approve a request to be absent from school conditioned on acceptable academic performance at the time of service as a trainee election judge.

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

Sec. 5. **REVISOR INSTRUCTION.**

In each of the statutory sections listed in Column A, the revisor of statutes shall replace the statutory citation in Column B with the statutory citation listed in Column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>175.007, subdivision 1, paragraph (b)</u>	<u>177.24, subdivision 1, paragraph (a), clause (2)</u>	<u>177.23, subdivision 13</u>
<u>222.50, subdivision 5, clause (4), item (ii)</u>	<u>177.24, subdivision 1, paragraph (b)</u>	<u>177.24, subdivision 1, paragraph (a)</u>
<u>550.136, subdivision 3, paragraph (a), clause (2)</u>	<u>177.24, subdivision 1, paragraph (b), clause (1), item (iii)</u>	<u>177.24, subdivision 1, paragraph (a), clause (3)</u>
<u>551.06, subdivision 3, paragraph (a), clause (2)</u>	<u>177.24, subdivision 1, paragraph (b), clause (1), item (iii)</u>	<u>177.24, subdivision 1, paragraph (a), clause (3)</u>

571.922, paragraph (a), clause (2), item (i)

177.24, subdivision 1, paragraph (b), clause (1), item (iii)

177.24, subdivision 1, paragraph (a), clause (3)

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

## ARTICLE 7

### MISCELLANEOUS LABOR POLICY

Section 1. Minnesota Statutes 2022, section 177.24, is amended by adding a subdivision to read:

Subd. 3a. **Gratuities; credit cards or charges.** (a) Gratuities received by an employee through a debit, charge, credit card, or electronic payment shall be credited to that pay period in which they are received by the employee.

(b) Where a gratuity is received by an employee through a debit, charge, credit card, or electronic payment, the full amount of gratuity indicated in the payment must be distributed to the employee no later than the next scheduled pay period.

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

Sec. 42. **[181.173] SALARY RANGES REQUIRED IN JOB POSTINGS.**

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

(b) "Employer" means a person or entity that employs 30 or more employees at one or more sites in Minnesota and includes an individual, corporation, partnership, association, nonprofit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.

(c) "Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings made electronically or via printed hard copy, that includes qualifications for desired applicants.

(d) "Salary range" means the minimum and maximum annual salary or hourly range of compensation, based on the employer's good faith estimate, for a job opportunity of the employer at the time of the posting of an advertisement for such opportunity.

Subd. 2. **Salary ranges in job postings required.** (a) An employer must disclose in each posting for each job opening with the employer the starting salary range, and a general description of all of the benefits and other compensation, including but not limited to any health or retirement benefits, to be offered to a hired job applicant.

(b) An employer that does not plan to offer a salary range for a position must list a fixed pay rate. A salary range may not be open ended.

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



Sec. 3. Minnesota Statutes 2023 Supplement, section 181.531, subdivision 3, is amended to read:

Subd. 3. **Notice.** (a) The commissioner shall develop an educational poster providing notice of employees' rights provided under this section. The notice shall be available in English and the five most common languages spoken in Minnesota.

~~Within 30 days of August 1, 2023,~~ (b) An employer subject to this section shall post and keep posted, a the notice of employee rights under this section created pursuant to this subdivision in a place where employee notices are customarily placed located within the workplace.

**EFFECTIVE DATE.** This section is effective October 1, 2024.

Sec. 4. Minnesota Statutes 2022, section 181.950, is amended by adding a subdivision to read:

Subd. 9a. **Oral fluid test.** "Oral fluid test" means analysis of a saliva sample for the purpose of measuring the presence of the same substances as drug and alcohol testing and cannabis testing that:

(1) can detect drugs, alcohol, cannabis, or their metabolites in levels at or above the threshold detection levels contained in the standards of one of the programs listed in section 181.953, subdivision 1; and

(2) does not require the services of a testing laboratory under section 181.953, subdivision 1.

Sec. 5. Minnesota Statutes 2022, section 181.951, subdivision 1, is amended to read:

Subdivision 1. **Limitations on testing.** (a) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing except as authorized in this section.

(b) An employer may not request or require an employee or job applicant to undergo drug or alcohol testing unless the testing is done pursuant to a written drug and alcohol testing policy that contains the minimum information required in section 181.952; and, either: (1) is conducted by a testing laboratory which participates in one of the programs listed in section 181.953, subdivision 1; or (2) complies with the oral fluid test procedures under section 181.953, subdivision 5a.

(c) An employer may not request or require an employee or job applicant to undergo drug and alcohol testing on an arbitrary and capricious basis.

Sec. 6. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 1, is amended to read:

Subdivision 1. **Use of licensed, accredited, or certified laboratory required.** (a) Except as provided under subdivision 5a, an employer who requests or requires an employee or job applicant to undergo drug or alcohol testing or cannabis testing shall use the services of a testing laboratory that meets one of the following criteria for drug testing:

(1) is certified by the National Institute on Drug Abuse as meeting the mandatory guidelines published at 53 Federal Register 11970 to 11989, April 11, 1988;

(2) is accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, under the forensic urine drug testing laboratory program; or

(3) is licensed to test for drugs by the state of New York, Department of Health, under Public Health Law, article 5, title V, and rules adopted under that law.

(b) For alcohol testing, the laboratory must either be:

(1) licensed to test for drugs and alcohol by the state of New York, Department of Health, under Public Health Law, article 5, title V, and the rules adopted under that law; or

(2) accredited by the College of American Pathologists, 325 Waukegan Road, Northfield, Illinois, 60093-2750, in the laboratory accreditation program.

Sec. 7. Minnesota Statutes 2023 Supplement, section 181.953, subdivision 3, is amended to read:

Subd. 3. **Laboratory testing, reporting, and sample retention requirements.** (a) A testing laboratory that is not certified by the National Institute on Drug Abuse according to subdivision 1 shall follow the chain-of-custody procedures prescribed for employers in subdivision 5. A testing laboratory shall conduct a confirmatory test on all samples that produced a positive test result on an initial screening test. A laboratory shall disclose to the employer a written test result report for each sample tested within three working days after a negative test result on an initial screening test or, when the initial screening test produced a positive test result, within three working days after a confirmatory test. A test report must indicate the drugs, alcohol, drug or alcohol metabolites, or cannabis or cannabis metabolites tested for and whether the test produced negative or positive test results. A laboratory shall retain and properly store for at least six months all samples that produced a positive test result.

(b) This subdivision and the chain-of-custody procedures under subdivision 5 do not apply to oral fluid testing under subdivision 5a.

Sec. 52. Minnesota Statutes 2023 Supplement, section 181.953, is amended by adding a subdivision to read:

Subd. 5a. **Oral fluid testing.** (a) When drug and alcohol testing or cannabis testing is otherwise authorized under section 181.951, an employer may request an employee or job applicant to undergo oral fluid testing according to the procedures under this subdivision as an alternative to using the services of a testing laboratory under subdivision 1.

(b) The employee must be informed of the test result at the time of the oral fluid test. Within 48 hours of an oral fluid test that indicates a positive test result or that is inconclusive or invalid, the employee or job applicant may request drug or alcohol testing or cannabis testing at no cost to the employee or job applicant using the services of a testing laboratory under subdivision 1, and according to the existing laboratory testing standards in subdivisions 1 to 5. The rights, notice, and limitations in subdivision 6, paragraph (b), and subdivisions 7 to 8 and 10 to 11 apply to an employee or job applicant and a laboratory test conducted pursuant to this paragraph.

(c) If the laboratory test under paragraph (b) indicates a positive result, any subsequent confirmatory retest, if requested by the employee or job applicant, must be conducted following the retest procedures provided in subdivision 6, paragraph (c), and subdivision 9 at the employee's or job applicant's own expense.

(d) Nothing in this subdivision is intended to modify the existing requirements for drug and alcohol testing or cannabis testing in the workplace under sections 181.950 to 18.957, unless stated otherwise.

**Sec. 9. [182.678] SURGICAL SMOKE EVACUATION SYSTEM POLICIES.**

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

(b) "Surgical smoke" means the gaseous by-product produced by energy-generating devices including surgical plume, smoke plume, bio-aerosols, laser-generated airborne contaminants, or lung-damaging dust.

(c) "Smoke evacuation system" means equipment that effectively captures and filters surgical smoke at the site of origin before the smoke makes contact with the eyes or the respiratory tract of occupants in the room.

(d) "Health care employer" means a hospital as defined in section 144.50, subdivision 2, or an ambulatory surgical facility or outpatient surgical center as defined in section 144.55, subdivision 2, paragraph (b).

Subd. 2. **Surgical smoke evacuation system policies required.** A health care employer shall adopt and implement policies to prevent exposure to surgical smoke by requiring the use of a smoke evacuation system during any surgical procedure that is likely to generate surgical smoke.

Subd. 3. **Enforcement.** This section shall be enforced by the commissioner under sections 182.66 and 182.661. A violation of this section is subject to the penalties provided under section 182.666.

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

**Sec. 10. REPEALER.**

Minnesota Rules, part 5200.0080, subpart 7, is repealed.

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

Delete the title and insert:

"A bill for an act relating to labor; making policy and technical changes to programs and provisions relating to labor; modifying construction codes and licensing, labor standards, occupational safety and health regulations, apprenticeship regulations, minimum wage rates, and miscellaneous labor policy; modifying provisions related to the Bureau of Mediation Services; amending Minnesota Statutes 2022, sections 13.79, subdivision 1; 13.7905, by adding a subdivision; 177.23, by adding subdivisions; 177.24, subdivision 1, by adding a subdivision; 177.30; 178.011, subdivision 9;

178.012, subdivision 1; 178.035, subdivisions 2, 4, 6, 7; 178.036, subdivisions 3, 4, 5, 6, 7; 178.044, subdivision 3; 178.07, subdivisions 1, 3; 178.09, subdivision 2; 178.091, subdivisions 2, 4, by adding subdivisions; 178.10; 179.01, subdivisions 1, 9, 16; 179.06; 179.08; 179.11; 179.12; 179.254, subdivision 1; 179.256; 179.26; 179.27; 179.35, subdivision 1; 179.40; 179.43; 179A.02; 179A.03, subdivision 17; 179A.06, subdivisions 1, 2, 3; 179A.08, subdivision 2; 179A.10, subdivision 1; 179A.104, subdivision 1; 179A.12, subdivision 1; 179A.15; 179A.16, subdivisions 1, 7; 179A.18, subdivisions 2, 3; 179A.19, subdivision 6; 179A.20, subdivision 4; 179A.23; 181.941, subdivision 4; 181.943; 181.950, by adding a subdivision; 181.951, subdivision 1; 181A.08; 181A.12, subdivision 1, by adding subdivisions; 182.664, subdivisions 3, 5; 182.665; 182.666, subdivision 6; 182.667, by adding a subdivision; 326.02, subdivision 5; 326B.0981, subdivisions 3, 4, 8; 326B.33, subdivisions 7, 21; 326B.36, subdivision 2; 326B.46, subdivision 6; 626.892, subdivision 12; Minnesota Statutes 2023 Supplement, sections 177.27, subdivisions 2, 4, 7; 177.42, subdivision 2; 178.01; 181.212, subdivision 7; 181.213, subdivision 1; 181.531, subdivision 3; 181.939, subdivision 2; 181.953, subdivisions 1, 3, by adding a subdivision; 182.6526, subdivision 1; 182.677, subdivisions 1, 2; 204B.19, subdivision 6; 326B.36, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 178; 181; 182; repealing Minnesota Statutes 2022, section 178.036, subdivision 10; Minnesota Rules, parts 5200.0080, subpart 7; 5200.0400; 5510.0310, subpart 13."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Jennifer McEwen, Grant Hauschild, Clare Oumou Verbeten

House Conferees: Michael Nelson, Kaela Berg

Senator McEwen moved that the foregoing recommendations and Conference Committee Report on S.F. No. 3852 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 3852 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

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

Those who voted in the affirmative were:

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

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Those who voted in the negative were:

Abeler	Bahr	Dahms	Draheim	Duckworth
Anderson	Coleman	Dornink	Drazkowski	Eichorn

115TH DAY]

MONDAY, MAY 13, 2024

16901

Farnsworth  
Green  
Gruenhagen  
Housley  
Howe

Jasinski  
Johnson  
Koran  
Kreun  
Lang

Lieske  
Limmer  
Lucero  
Mathews  
Miller

Nelson  
Pratt  
Rarick  
Rasmusson  
Utke

Weber  
Wesenberg  
Westrom

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

### **MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 4124, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 4124 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 9, 2024

### **CONFERENCE COMMITTEE REPORT ON H. F. No. 4124**

A bill for an act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; modifying and extending prior appropriations; amending Laws 2023, chapter 40, article 3, sections 2, subdivision 1; 3; 4.

May 8, 2024

The Honorable Melissa Hortman  
Speaker of the House of Representatives

The Honorable Bobby Joe Champion  
President of the Senate

We, the undersigned conferees for H. F. No. 4124 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 4124 be further amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1****OUTDOOR HERITAGE FUND**Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. The appropriations in this article are onetime appropriations.

<b><u>APPROPRIATIONS</u></b>	
<b><u>Available for the Year</u></b>	
<b><u>Ending June 30</u></b>	
<b><u>2024</u></b>	<b><u>2025</u></b>

Sec. 2. **OUTDOOR HERITAGE FUND**

<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>0</u></b>	<b><u>\$</u></b>	<b><u>192,711,000</u></b>
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This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

<b><u>Subd. 2. Prairies</u></b>		<b><u>-0-</u></b>		<b><u>19,439,000</u></b>
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**(a) Northern Tallgrass Prairie National Wildlife Refuge, Phase 14**

\$4,412,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee or permanent conservation easements and restore and enhance lands within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes,

section 84.96, or lands adjacent to protected native prairie.

**(b) Accelerating Wildlife Management Area Program, Phase 16**

\$5,315,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore and enhance lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie.

**(c) Prairie Chicken Habitat Partnership of Southern Red River Valley, Phase 10**

\$3,794,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and restore and enhance lands within the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie.

**(d) Martin County DNR WMA Acquisition, Phase 8**

\$2,589,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and to restore and enhance strategic prairie grassland, wetland, and other wildlife habitat

within Martin County for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, as follows: \$1,921,000 to Fox Lake Conservation League, Inc.; \$613,000 to Ducks Unlimited; and \$55,000 to the Conservation Fund.

**(e) DNR Grassland Enhancement, Phase 16**

\$1,427,000 the second year is to the commissioner of natural resources to accelerate restoration and enhancement of prairies, grasslands, and savannas in wildlife management areas, in scientific and natural areas, in aquatic management areas, on lands in the native prairie bank, in bluff prairies on state forest land in southeastern Minnesota, and in waterfowl production areas and refuge lands of the United States Fish and Wildlife Service.

**(f) Enhanced Public Land - Grasslands, Phase 7**

\$1,902,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore grassland and wetland habitat on public lands within the forest prairie transition, metro urban, and prairie ecoregions of Minnesota.

**Subd. 3. Forests**

-0-

32,164,000

**(a) Minnesota Heritage Forest - Transition to Public Ownership Program**

\$22,647,000 the second year is to the commissioner of natural resources to acquire priority forest habitat lands in fee as wildlife management areas, scientific and natural areas, state forests, and county forests. Of this amount, \$11,737,000 is for an agreement with Northern Waters Land Trust.

**(b) Camp Ripley Sentinel Landscape Protection Program ACUB, Phase 12**

\$2,068,000 the second year is to the Board of Water and Soil Resources, in cooperation



with the Morrison County Soil and Water Conservation District, to acquire permanent conservation easements and restore and enhance forest wildlife habitat within the boundaries of the Minnesota National Guard Camp Ripley Sentinel Landscape and Army Compatible Use Buffer. Up to \$110,000 to the Board of Water and Soil Resources is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(c) Riparian Habitat Protection in Kettle and Snake River Watersheds, Phase 2**

\$1,569,000 the second year is to the Board of Water and Soil Resources, in cooperation with the Pine County Soil and Water Conservation District, to acquire permanent conservation easements to protect high-quality forests, wetlands, and shoreline within the Kettle and Snake River watersheds. Up to \$150,000 to the Board of Water and Soil Resources is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(d) DNR Forest Habitat Enhancement, Phase 4**

\$1,727,000 the second year is to the commissioner of natural resources to restore and enhance forest wildlife habitats on public lands throughout Minnesota.

**(e) Young Forest Conservation, Phase 4**

\$2,229,000 the second year is to the commissioner of natural resources for an agreement with the American Bird Conservancy to enhance publicly owned,

permanently protected forest lands for wildlife management.

**(f) Floodplain and Upland Forest Enhancement - Mississippi River, Phase 5**

\$1,924,000 the second year is to the commissioner of natural resources for an agreement with the National Audubon Society to restore and enhance floodplain and upland forest habitat for wildlife on public lands along the Mississippi River and Mississippi River tributaries.

**Subd. 4. Wetlands**

-0-

38,412,000

**(a) Wild-Rice Shoreland Protection, Phase 9**

\$2,042,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild-rice lake shoreland habitat for native wild-rice bed protection. Of this amount, up to \$110,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(b) Shallow Lake and Wetland Protection and Restoration Program, Phase 13**

\$7,670,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl production areas or national wildlife refuges in Minnesota, in cooperation with the United States Fish and Wildlife Service, and to restore and enhance prairie lands, wetlands, and land buffering shallow lakes.

**(c) RIM Wetlands - Restoring Most Productive Habitat in Minnesota, Phase 13**

\$3,202,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to \$50,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(d) Accelerating Waterfowl Production Area Acquisition Program, Phase 16**

\$7,020,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas in Minnesota.

**(e) DNR Accelerated Shallow Lakes and Wetland Enhancement, Phase 16**

\$3,809,000 the second year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide.

**(f) Nelson Slough - East Park Wildlife Management Area**

\$4,174,000 the second year is to the commissioner of natural resources for an agreement with the Middle-Snake-Tamarac Rivers Watershed District to restore and enhance wetland and upland wildlife habitat on Nelson Slough and East Park Wildlife Management Area in Marshall County, Minnesota.

**(g) Wetland Habitat Protection and Restoration Program, Phase 9**

\$2,128,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to restore and enhance prairie, wetland, and other habitat on permanently protected conservation easements in high-priority wetland habitat complexes within the prairie, forest/prairie transition, and forest ecoregions.

**(h) Living Shallow Lakes and Wetlands Enhancement and Restoration Initiative, Phase 10**

\$7,867,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes and wetlands on public lands and wetlands under permanent conservation easement for wildlife management.

**(i) Lake Alice Enhancement, Fergus Falls**

\$500,000 the second year is to the commissioner of natural resources for an agreement with the city of Fergus Falls to enhance Lake Alice in Fergus Falls.

**Subd. 5. Habitats**

-0-

101,294,000

**(a) St. Croix Watershed Habitat Protection and Restoration, Phase 5**

\$4,711,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and acquire permanent conservation easements and to restore and enhance natural habitat systems in the St. Croix River watershed as follows: \$1,905,000 to Trust for Public Land; \$110,000 to Wild Rivers Conservancy; and \$2,696,000 to Minnesota Land Trust. Up to \$224,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(b) Pine and Leech Watershed Targeted RIM Easement Permanent Land Protection, Phase 3**

\$2,242,000 the second year is to the Board of Water and Soil Resources, in cooperation with the Crow Wing County Soil and Water Conservation District, to acquire permanent conservation easements of high-quality forest, wetland, and shoreline habitat. Up to \$120,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(c) Protecting Minnesota's Lakes of Outstanding Biological Significance, Phase 3**

\$3,321,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance lakes of outstanding biological significance in northeast and north-central Minnesota. Of this amount, \$1,083,000 is to the Northern Waters Land Trust and \$2,238,000 is to Minnesota Land Trust. Up to \$224,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(d) Shell Rock River Watershed Habitat Restoration Program, Phase 13**

\$2,060,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee and restore and enhance habitat in the Shell Rock River watershed.

**(e) Cannon River Watershed Habitat Restoration and Protection Program, Phase 13**

\$2,555,000 the second year is to the commissioner of natural resources for

agreements to acquire lands in fee and restore and enhance wildlife habitat in the Cannon River watershed as follows: \$54,000 to Clean River Partners; \$888,000 to Great River Greening; and \$1,613,000 to Trust for Public Land.

**(f) Mississippi Headwaters Habitat Corridor Project, Phase 8**

\$2,706,000 the second year is to acquire lands in fee and permanent conservation easements and to restore wildlife habitat in the Mississippi headwaters. Of this amount:

(1) \$1,706,000 is to the commissioner of natural resources for agreements as follows: \$57,000 to the Mississippi Headwaters Board and \$1,649,000 to Trust for Public Land; and

(2) \$1,000,000 is to the Board of Water and Soil Resources, of which up to \$100,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(g) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes, Phase 10**

\$2,687,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and in permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties as follows: \$2,252,000 to Northern Waters Land Trust and \$435,000 to Minnesota Land Trust. Up to \$56,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(h) Red River Basin Riparian Habitat Program**

\$5,119,000 the second year is to acquire permanent conservation easements to protect,

restore, and enhance stream and riparian habitat throughout the Red River watershed. Of this amount, \$169,000 is to the commissioner of natural resources for an agreement with the Red River Watershed Management Board and \$4,950,000 is to the Board of Water and Soil Resources. Up to \$380,000 of the total amount is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(i) Resilient Habitat for Heritage Brook Trout, Phase 2**

\$2,486,000 the second year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance habitat in targeted watersheds of southeast Minnesota to improve heritage brook trout and coldwater aquatic communities. Of this amount, \$400,000 is to The Nature Conservancy, \$612,000 is to Trout Unlimited, and \$1,474,000 is to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(j) Southeast Minnesota Protection and Restoration, Phase 12**

\$3,052,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and to restore and enhance wildlife habitat on public lands and permanent conservation easements in southeast Minnesota as follows: \$970,000 to The Nature Conservancy, \$964,000 to Trust for Public Land, and \$1,118,000 to

Minnesota Land Trust. Up to \$112,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(k) Lower Wild Rice River Corridor Habitat Restoration, Phase 4**

\$2,345,000 the second year is to acquire land in permanent conservation easement and to restore river and related habitat in the Wild Rice River corridor. Of this amount, \$30,000 is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District and \$2,315,000 is to the Board of Water and Soil Resources. The Board of Water and Soil Resources may use up to \$60,000 for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subdivision 8, paragraph (b), does not apply to this project. A list of permanent conservation easements must be provided as part of the final report.

**(l) DNR Wildlife Management Area and Scientific and Natural Area Acquisition, Phase 16**

\$1,359,000 the second year is to the commissioner of natural resources to acquire in fee and restore and enhance lands for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie.

**(m) Accelerating Habitat Conservation in Southwest Minnesota, Phase 3**



\$2,872,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance high-quality wildlife habitat in southwest Minnesota. Of this amount, up to \$168,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(n) Sauk River Watershed Habitat Protection and Restoration, Phase 5**

\$3,965,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and restore and enhance wildlife habitat in the Sauk River watershed as follows: \$375,000 to Great River Greening; \$1,199,000 to Sauk River Watershed District; \$1,192,000 to Pheasants Forever; and \$1,199,000 to Minnesota Land Trust. Up to \$168,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(o) Metro Big Rivers, Phase 14**

\$8,123,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries within the metropolitan area as follows: \$1,250,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$420,000 to Friends of the Mississippi River; \$803,000 to Great River Greening; \$2,750,000 to Trust for Public Land; and \$2,900,000 to Minnesota Land Trust. Up to \$224,000 to Minnesota Land Trust is to establish a

monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17.

**(p) Anoka Sand Plain Habitat Conservation, Phase 9**

\$1,802,000 the second year is to the commissioner of natural resources for agreements to restore and enhance wildlife habitat on public lands and easements in the Anoka Sand Plain ecoregion and intersecting minor watersheds as follows: \$1,508,000 to Great River Greening and \$294,000 to Sherburne County.

**(q) DNR Aquatic Habitat Restoration and Enhancement, Phase 7**

\$4,206,000 the second year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage.

**(r) Minnesota Statewide Trout Habitat Enhancement**

\$2,308,000 the second year is to the commissioner of natural resources for an agreement with Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams throughout Minnesota.

**(s) Knife River Habitat Rehabilitation, Phase 7**

\$1,572,000 the second year is to the commissioner of natural resources for an agreement with the Arrowhead Regional Development Commission, in cooperation with the Lake Superior Steelhead Association, to restore and enhance trout habitat in the Knife River watershed. If the Arrowhead Regional Development Commission declines to serve as the fiscal agent for the project, an alternative fiscal agent must be identified in the accomplishment plan for the project.

**(t) DNR St. Louis River Restoration Initiative, Phase 11**

\$2,163,000 the second year is to the commissioner of natural resources to restore and enhance priority aquatic, riparian, and forest habitats in the St. Louis River estuary. Of this amount, \$716,000 is for an agreement with Minnesota Land Trust.

**(u) Roseau Lake Rehabilitation, Phase 2**

\$3,054,000 the second year is to the commissioner of natural resources for an agreement with the Roseau River Watershed District to restore and enhance the Roseau Lake and Roseau River habitat complex in Roseau County, Minnesota.

**(v) Highbanks Ravine Bat Hibernaculum**

\$2,300,000 the second year is to the commissioner of natural resources for an agreement with the city of St. Cloud to enhance the Highbanks Ravine Bat Hibernaculum in St. Cloud.

**(w) Owámniyomni Native Landscape and River Restoration, St. Anthony Falls**

\$1,918,000 the second year is to the commissioner of natural resources for an agreement with Friends of the Falls to restore and enhance wildlife habitat at Upper St. Anthony Falls. This appropriation may only be spent for site grading, oak savanna, and aquatic habitat portions of the project.

**(x) Silver Lake Dam Fish Passage Modification**

\$2,368,000 the second year is to the commissioner of natural resources for an agreement with the city of Rochester to restore and enhance aquatic habitat in Silver Lake and the south fork of the Zumbro River by modifying the existing low-head dam in Rochester.

**(y) Little Devil Track River Restoration**

\$3,000,000 the second year is to the commissioner of natural resources for an agreement with Cook County to restore and enhance stream habitat in the Little Devil Track River.

**(z) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat, Phase 16**

\$15,000,000 the second year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$500,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Unless there are not enough eligible grant applications received, of this amount, at least \$4,000,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or more and at least \$4,000,000 is for grants to applicants that have not previously applied for money from the outdoor heritage fund. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$1,000,000. Of the total appropriation, \$600,000 may be spent for personnel costs, outreach, and support to first-time applicants and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources must, when evaluating projects of equal value, give priority to organizations that have a history of receiving,

or a charter to receive, private contributions for local conservation or habitat projects. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2027. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient completes a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

**(aa) Protecting Upper Mississippi River from Invasive Carp**

\$12,000,000 the second year is to the commissioner of natural resources to fund activities to protect the upper Mississippi River from invasive carp. Activities within this appropriation include agreements with federal partners, such as the United States Fish and Wildlife Service, to design, construct, and begin operating and maintaining a structural deterrent for invasive carp at Lock and Dam No. 5 on the Mississippi River to protect Minnesota's aquatic habitat through an adaptive management approach. Deterrent design must be fully completed within two years of the date of this appropriation. Deterrent installation must be completed by June 30, 2029. Money not spent or obligated for design installation and operation of the

deterrent may be used for testing technologies to support the future effectiveness of the deterrent. A detailed accomplishment plan must be submitted to and approved by the Lessard-Sams Outdoor Heritage Council before money is released. This appropriation is available until June 30, 2029.

**Subd. 6. Administration**

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1,402,000

**(a) Contract Management**

\$350,000 the second year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan. Money appropriated in this paragraph is available until June 30, 2026.

**(b) Technical Evaluation Panel**

\$160,000 the second year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 25 restoration and enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10. Money appropriated in this paragraph is available until June 30, 2026.

**(c) Core Functions in Partner-led OHF Land Acquisitions**

\$892,000 the second year is to the commissioner of natural resources for administering the initial development, restoration, and enhancement of land acquired in fee with money appropriated from the outdoor heritage fund. This appropriation may be used for land

acquisition costs incurred by the department in conveying parcels to the department and for initial development activities on fee title acquisitions. Money appropriated in this paragraph is available until June 30, 2032.

**Subd. 7. Availability of Appropriation**

(a) Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

(b) Money appropriated in this section is available as follows:

(1) money appropriated for acquiring real property is available until June 30, 2028;

(2) money appropriated for restoring and enhancing land acquired with an appropriation in this section is available for four years after the acquisition date with a maximum end date of June 30, 2032;

(3) money appropriated for restoring or enhancing other land is available until June 30, 2029;

(4) notwithstanding clauses (1) to (3), money appropriated for a project that receives at least 15 percent of its funding from federal funds is available until a date sufficient to match the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan; and

(5) money appropriated for other projects is available until the end of the fiscal year in which it is appropriated.

**Subd. 8. Payment Conditions and Capital Equipment Expenditures**

(a) All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2024, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with a landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash-flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

(b) Unless otherwise provided, no money appropriated from the outdoor heritage fund in this article may be used to acquire, restore, or enhance any real property unless the



specific acquisition, restoration, or enhancement is approved as part of the accomplishment plan on the parcel list.

**Subd. 9. Mapping**

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping of any lands acquired in fee with funds appropriated in this section and open to public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

**Subd. 10. Carryforward**

(a) The availability of the following appropriations is extended to June 30, 2025:

(1) Laws 2019, First Special Session chapter 2, article 1, section 2, subdivision 5, paragraph (f), Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase XI; and

(2) Laws 2019, First Special Session chapter 2, article 1, section 2, subdivision 5, paragraph (j), Shell Rock River Watershed Habitat Restoration Program - Phase VIII.

(b) The availability of the appropriation in Laws 2019, First Special Session chapter 2, article 1, section 2, subdivision 4, paragraph (g), Big Rice Lake Wild Rice Enhancement, is extended to June 30, 2026.

(c) The availability of the appropriation in Laws 2019, First Special Session chapter 2, article 1, section 2, subdivision 5, paragraph (o), Restoring Upper Mississippi River at Lake Pepin, is extended to June 30, 2028.

**ARTICLE 2****CLEAN WATER FUND****Section 1. CLEAN WATER FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2024" and "2025" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. These are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2024</u>	<u>2025</u>

**Sec. 2. CLEAN WATER FUND**

<b>Subdivision 1. <u>Total Appropriation</u></b>	<b>\$</b>	<b>-0-</b>	<b>\$</b>	<b><u>25,426,000</u></b>
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This appropriation is from the clean water fund. The amounts that may be spent for each purpose are specified in the following sections.

**Subd. 2. Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget MMB Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2024 appropriations are available until June 30, 2025, and fiscal year 2025 appropriations are available until June 30, 2026. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

**Subd. 3. Disability Access**

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing people with disabilities greater access to programs, print publications, and digital media related to the programs the recipient funds using appropriations made in this article.

**Subd. 4. Increasing Diversity in Environmental Careers**

Agencies should work to provide opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this article.

Sec. 3. <b><u>DEPARTMENT OF AGRICULTURE</u></b>	<u>\$</u>	<u>-0-</u> <u>\$</u>	<u>4,402,000</u>
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(a) \$1,000,000 the second year is for monitoring and evaluating trends in the concentration of nitrate in groundwater; promoting, developing, and evaluating regional and crop-specific nutrient best management practices, cover crops, and other vegetative cover; assessing adoption of best management practices and other recommended practices; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities, including research activities at the Rosholt Research Farm; and other actions to protect groundwater from degradation from nitrate. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 3, paragraph (b), and is available until June 30, 2028.

(b) \$3,402,000 the second year is for the agriculture best management practices loan program for loans for water-quality-related projects. Of this amount, \$3,000,000 is for projects in southeast Minnesota. Any unencumbered balance at the end of the

second year must be added to the corpus of the loan fund. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 3, paragraph (c).

Sec. 4. <u>POLLUTION CONTROL AGENCY</u>	<u>\$</u>	<u>-0-</u> \$	<u>5,326,000</u>
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(a) \$326,000 the second year is for completing needed statewide assessments of surface water quality and trends according to Minnesota Statutes, chapter 114D. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 4, paragraph (a).

(b) \$1,950,000 the second year is for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protecting groundwater. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 4, paragraph (f). Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this paragraph are available until June 30, 2028.

(c) \$1,000,000 the second year is for activities and grants that reduce chloride pollution. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 4, paragraph (g).

(d) \$2,000,000 the second year is to purchase and install nitrate sensors to develop a continuous nitrate-monitoring network to monitor watershed and basin pour points where elevated loads of nitrate have been measured historically.

(e) \$50,000 the second year is for a grant to the Friends of the Minnesota Valley to continue and expand the existing water quality and watershed monitoring river watch activities in schools in the Minnesota River Valley. By February 15, 2027, Friends of the Minnesota Valley must provide a report to

the commissioner and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund on the outcomes achieved with the money received under this appropriation.

**Sec. 5. DEPARTMENT OF NATURAL RESOURCES**

<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>90,000</u>
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\$90,000 the second year is for assessing mercury and other fish contaminants, including PFAS compounds, and monitoring to track the status of impaired waters over time. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 5, paragraph (c).

**Sec. 6. BOARD OF WATER AND SOIL RESOURCES**

<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>11,434,000</u>
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(a) \$3,434,000 the second year is for a working-lands floodplain program and to purchase, restore, or preserve riparian land and floodplains adjacent to lakes, rivers, streams, and tributaries, by conservation easements or contracts to keep water on the land, to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase protection and recharge for groundwater. Up to \$225,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 6, paragraph (f).

(b) \$4,000,000 the second year is to purchase permanent conservation easements to protect lands adjacent to public waters that have good water quality but that are threatened with degradation. Up to \$160,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103.

This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 6, paragraph (k).

(c) \$2,000,000 the second year is for developing and implementing a water legacy grant program to expand partnerships for clean water. Of this amount, \$500,000 is for grants to watershed districts to reduce the costs to landowners for green infrastructure projects, including rain gardens, permeable pavement, rainwater harvesting and reuse, and other clean water practices. Priority must be given to projects in low-income and high-pollution areas. Watershed districts may partner with local community groups, nonprofit organizations, and other interested parties to perform the work and provide outreach to communities. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 6, paragraph (m).

(d) \$1,000,000 the second year is to provide support to soil and water conservation districts and other local governments and partner organizations in the Lake Superior basin to leverage Great Lakes Restoration Initiative or other federal Great Lakes funding to implement prioritized activities.

(e) \$1,000,000 the second year is for conservation easements acquired under Minnesota Statutes, sections 103F.501 to 103F.535, or for grants or contracts to local units of government or Tribal governments, including for fee title acquisition or for long-term protection of groundwater supply sources. Consideration must be given to drinking water supply management areas and alternative management tools in the Department of Agriculture *Minnesota Nitrogen Fertilizer Management Plan*, including using low-nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is

designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring conservation contracts. Up to \$50,000 is for deposit in a conservation easement stewardship account established according to Minnesota Statutes, section 103B.103. This appropriation, including the conditions and considerations, is added to the appropriation in Laws 2023, chapter 40, article 2, section 6, paragraph (g).

(f) The board must require grantees to specify the outcomes that will be achieved by the grants.

(g) The appropriations in this section are available until June 30, 2028, except grant or easement funds are available for five years after the date a grant or other agreement is executed. Returned grant funds must be regranted consistent with the purposes of this section.

Sec. 7. <b><u>DEPARTMENT OF HEALTH</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>3,174,000</u></b>
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(a) \$384,000 the second year is for developing health-risk limits for contaminants found or anticipated to be found in Minnesota drinking water, to certify private laboratories to conduct analyses for these contaminants, and to increase the capacity of the department's laboratory to analyze for these contaminants. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 7, paragraph (a).

(b) \$2,790,000 the second year is for managing a voluntary program in Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona Counties to conduct an inventory of private wells, provide testing for nitrates, develop education and outreach for private well owners and

users, and develop a dashboard to communicate testing results and report on progress.

(c) Unless otherwise specified, the appropriations in this section are available until June 30, 2027.

Sec. 8. <u>UNIVERSITY OF MINNESOTA</u>	\$	<u>-0-</u>	\$	<u>1,000,000</u>
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\$1,000,000 the second year is for a program to evaluate performance and technology transfer for stormwater best management practices; to evaluate best management performance and effectiveness to support meeting total maximum daily loads; to develop standards and incorporate state-of-the-art guidance using minimal impact design standards as the model; and to implement a system to transfer knowledge and technology across local government, industry, and regulatory sectors. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 2, section 9, paragraph (b), and is available until June 30, 2030.

### ARTICLE 3

#### PARKS AND TRAILS FUND

Section 1. Laws 2023, chapter 40, article 3, section 2, subdivision 1, is amended to read:

Subdivision 1. <b>Total Appropriation</b>	\$	<b>72,155,000</b>	\$	<del>64,455,000</del> <u>73,563,000</u>
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The amounts that may be spent for each purpose are specified in the following sections.

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

Sec. 2. Laws 2023, chapter 40, article 3, section 3, is amended to read:

Sec. 3. <b>DEPARTMENT OF NATURAL RESOURCES</b>	\$	<b>43,580,000</b>	\$	<del>38,931,000</del> <u>44,396,000</u>
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(a) \$28,572,000 the first year and ~~\$25,524,000~~ \$29,167,000 the second year



are for state parks, recreation areas, and trails to:

- (1) connect people to the outdoors;
- (2) acquire land and create opportunities;
- (3) maintain existing holdings; and
- (4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) The commissioner may spend money appropriated under paragraph (a) on I Can! programs, including but not limited to programs designed to provide underserved youth and youth who identify as lesbian, gay, bisexual, transgender, and queer the opportunity to experience the outdoors with similar peers.

(c) \$14,286,000 the first year and ~~\$12,762,000~~ \$14,584,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph must be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536, subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the *Greater Minnesota Regional Parks and Trails Strategic Plan* adopted by the Greater Minnesota Regional Parks and Trails Commission on ~~April 22, 2015~~ March 24, 2021. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the

commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$475,000 the first year and \$475,000 the second year are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(d) By January 15, 2024, the Greater Minnesota Regional Parks and Trails Commission must submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2025 to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources and the parks and trails fund.

(e) By January 15, 2024, the Greater Minnesota Regional Parks and Trails Commission must submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources and the parks and trails fund.

(f) \$722,000 the first year and \$645,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

(g) The commissioner must contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least

\$850,000 the first year and \$850,000 the second year.

(h) Grant recipients of an appropriation under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

(i) In addition to the requirements under paragraph (g), the commissioner should work to provide other opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in this section.

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

Sec. 3. Laws 2023, chapter 40, article 3, section 4, is amended to read:

Sec. 4. <b>METROPOLITAN COUNCIL</b>	\$	<b>28,572,000</b>	\$	<b><u>25,524,000</u></b>
				<b><u>29,167,000</u></b>

(a) \$28,572,000 the first year and ~~\$25,524,000~~ \$29,167,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any money remaining after completing the listed projects may be spent by the implementing agencies on projects to support parks and trails.

(c) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section must ensure that the money is used to supplement and not substitute for traditional sources of funding.

(d) The implementing agencies receiving appropriations under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

(e) Implementing agencies that charge a fee for activities or rental equipment, including but not limited to watercraft, skis, bicycles, golf clubs, and green fees, must report to the Metropolitan Council the opportunities to participate in the activities and rent equipment at free or reduced rates offered in their park and recreation programs. By February 1, 2025, the Metropolitan Council must provide a report to the legislative committees and divisions with jurisdiction over legacy funding on the information gathered under this paragraph.

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

Sec. 4. **PARKS AND TRAILS FUND APPROPRIATION EXTENSIONS.**

Subdivision 1. **Bluffs Traverse Trail; city of Winona.** The availability of the grant to the city of Winona for the Bluffs Traverse Trail project from the parks and trails fund appropriation under Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (b), is extended to June 30, 2026.

Subd. 2. **Jay C. Hormel Nature Center; city of Austin.** The availability of the grant to the city of Austin for the Jay C. Hormel Nature Center project from the parks and trails fund appropriation under Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (b), is extended to June 30, 2027.

Subd. 3. **Hole in the Mountain Park; Lincoln County.** The availability of the grant to Lincoln County for the Hole in the Mountain Park project from the parks and trails fund appropriation under Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (b), is extended to June 30, 2027.

Subd. 4. **Alexander Ramsey Park; city of Redwood Falls.** The availability of the grant to the city of Redwood Falls for the Alexander Ramsey Park project from the parks and trails fund appropriation under Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (b), is extended to June 30, 2027.

Subd. 5. **Coordination among partners.** The appropriations from the parks and trails fund under Laws 2021, First Special Session chapter 1, article 3, section 3, paragraph (e), are available until June 30, 2026.

**ARTICLE 4**

**ARTS AND CULTURAL HERITAGE FUND**

Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15, except that any unencumbered balance remaining under this article from the first year does not cancel but is available in the second year. The figures "2024" and "2025" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2024, and June 30, 2025, respectively. "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025. All appropriations in this article are onetime.

<b><u>APPROPRIATIONS</u></b>	
<b><u>Available for the Year</u></b>	
<b><u>Ending June 30</u></b>	
<b><u>2024</u></b>	<b><u>2025</u></b>

Sec. 2. **ARTS AND CULTURAL HERITAGE**

<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>12,209,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Availability of Appropriation**

Money appropriated in this article must not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget MMB Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2024 appropriations are available until June 30, 2025, and fiscal year 2025 appropriations are available until June 30, 2026. Water and energy

conservation technology and the use of renewable energy should be priorities for construction and building projects funded through this appropriation. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

**Subd. 3. Minnesota State Arts Board**

-0-

5,738,000

(a) The amounts in this subdivision are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that the money is used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

**(b) Arts and Arts Access Initiatives**

\$4,590,000 the second year is to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 4, section 2, subdivision 3, paragraph (b).

**(c) Arts Education**

\$861,000 the second year is for high-quality, age-appropriate arts education for Minnesotans of all ages to develop

knowledge, skills, and understanding of the arts. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 4, section 2, subdivision 3, paragraph (c).

**(d) Arts and Cultural Heritage**

\$287,000 the second year is for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state. This appropriation is added to the appropriation in Laws 2023, chapter 40, article 4, section 2, subdivision 3, paragraph (d).

**(e) Administrative Costs**

Up to five percent of the totals in paragraphs (b) to (d) each year is for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability for fiscal year 2025 appropriations.

**(f) Regional Arts Councils**

Thirty percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

**Subd. 4. Department of Administration**

-0-

1,720,000

(a) The amounts in this subdivision are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary for the administration of grants in this subdivision.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

**(c) Berger Fountain Renovation**

\$200,000 the second year is for a grant to the Minneapolis Park and Recreation Board to restore Berger Fountain at Loring Park and for improvements to the surrounding plaza.

**(d) Capri Theater**

\$250,000 the second year is for a grant to Capri Theater to enrich and expand youth and adult arts programming and effective arts and educational offerings for youth, families, and emerging and accomplished artists.

**(e) Veterans Memorial and Commemorations**

\$150,000 the second year is for a competitive grant program to award grants for groups celebrating, recognizing, and honoring the sacrifices of those who served in the military, including memorials, commemorations, facilities, and park features.

Of this amount, \$30,000 is for a grant to the VFW Post 5252 in Pelican Rapids for the relocation of their Honor Wall, and \$15,000 is for a grant to Clitherall Township for the Clitherall Township Veterans Memorial in Battle Lake for improvements to the grounds.

**(f) Indigenous Roots Cultural Arts Center and Cypher Side**

\$175,000 the second year is for a grant to Indigenous Roots Cultural Arts Center to partner with Cypher Side to provide dance and other arts programming.

**(g) Hrvatski Dom Croatian Hall**

\$195,000 the second year is for a grant to the Hrvatski Dom Croatian Hall in South St. Paul for restoring and operating the hall for



community gatherings and to preserve the history and cultural heritage of Croatian immigrants in Minnesota.

**(h) Justus Ramsey Stone House**

\$300,000 the second year is for a grant to the Minnesota Transportation Museum for costs related to preserving Minnesota's historic Justus Ramsey Stone House and relocating it to the Jackson Street Roundhouse property owned and operated by the Minnesota Transportation Museum.

**(i) Minnesota Military and Veterans Museum**

\$275,000 the second year is for a grant to the Minnesota Military and Veterans Museum at Camp Ripley for the restoration, relocation, and interpretation of the USS Ward Number Three Gun and World War II display. This funding may also be used for site reclamation and improvements at the location of the removed work. Award of this grant is contingent on compliance and approvals in Minnesota Rules, part 2400.2703, subpart 7. This funding is available until June 30, 2027.

**(j) PROCEED**

\$100,000 the second year is for a grant to PROCEED, Inc., for arts, cultural, and environmental preservation work with youth.

**(k) Twin Cities Jazz Festival**

\$75,000 the second year is for arts and arts access at the Twin Cities Jazz Festival.

**Subd. 5. Minnesota Humanities Center**

-0-

3,550,000

(a) The amounts in this subdivision are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 5.5 percent of the appropriations to administer this money and to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota

Humanities Center must develop a written plan to issue the grants under this subdivision and must submit the plan for review and approval by the commissioner of administration. The written plan must require the Minnesota Humanities Center to create and adhere to grant policies that are similar to those established according to Minnesota Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded under this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

**(b) Community Identity and Heritage Grant Program; Administration and Capacity-Building Grants; Festival Grants**

(1) \$50,000 the second year is for outreach and education on the grant programs in this subdivision, with a focus on reaching diverse community organizations and providing assistance with grant opportunities, qualifications, and reporting requirements and specifically providing technical assistance and a nontraditional application process to improve access to grant funding for diverse communities.

(2) \$1,690,000 the second year is for a competitive grant program to provide grants to organizations or individuals working to create, celebrate, and teach the art, culture, and heritage of diverse Minnesota communities, including but not limited to Asian and Pacific Island communities, the Somali diaspora and other African immigrant communities, Indigenous communities with a focus on the 11 Tribes in Minnesota, the African American community, the Latinx community, the LGBTQIA+ community, and other underrepresented cultural groups, including communities of Black, Indigenous, and people of color, to celebrate the cultural diversity of Minnesota. An individual or

organization that receives a grant under this clause must do at least one of the following:

(i) preserve and honor the cultural heritage of Minnesota;

(ii) provide education and student outreach on cultural diversity;

(iii) support the development of culturally diverse humanities programming, including arts programming, by individuals and organizations; or

(iv) empower communities in building identity and culture, including preserving and honoring communities whose Indigenous cultures are endangered or disappearing.

(3) Of the amount in clause (2), \$750,000 must be used for grants for community events, music and jazz festivals, cultural festivals for art installations, music, and other performances and activities that support festivals and events. Funding under this clause must not go to parades. Amounts not awarded under this clause may be used for the purposes provided in clause (2).

(4) Of the amount in clause (3):

(i) \$100,000 is for a grant to an organization to celebrate Minnesota's historical, cultural, and artistic heritage to provide boxes of essentials to mothers in the state. The organization must consult with the commissioner of health to develop and distribute the boxes;

(ii) \$100,000 is for a grant to (Neo)Muralismos de Mexico to expand classes and support artists; and

(iii) \$100,000 is for a grant to a nonprofit organization that can support and facilitate the art and music of Rondo Days.

**(c) Underrepresented Groups Cultural Studies Materials**

\$500,000 the second year is for competitive grants to develop high-quality academic cultural and ethnic studies materials for communities that do not have adequate cultural and ethnic studies materials or who are underrepresented in those materials, including but not limited to the Hmong, Karen, Somali, and Oromo cultures, and cultures without a formal writing system that are largely oral-based. In developing these materials, a recipient of a grant under this paragraph must work with school districts that intend to use the materials.

**(d) Urban Debate League**

\$180,000 the second year is for a grant to the Minnesota Urban Debate League to expand the Minnesota Urban Debate League program to serve additional school districts throughout Minnesota.

**(e) Monkeybear**

\$100,000 the second year is for a grant to the Monkeybear's Harmolodic Workshop for developing creative and technical skills in contemporary puppetry.

**(f) Saint Paul Neighborhood Network (SPNN)**

\$100,000 the second year is for a grant to Saint Paul Neighborhood Network in St. Paul for a grant to support their programs in cinematography, lighting, and editing; storytelling; documentary filmmaking; and other artistic programming.

**(g) SivYig Culture Center**

\$40,000 the second year is for a grant to the SivYig Culture Center for programming and educational outreach activities to teach the public about the historical, cultural, and folk arts heritage of Hmong Minnesotans.

**(h) African Immigrants Community Services (AICS)**

\$40,000 the second year is for a grant to the African Immigrants Community Services (AICS) in Minneapolis for arts programming

servicing and celebrating the African arts and cultural heritage.

**(i) Mini Sota Agricultural Children's Museum**

\$50,000 the second year is for a grant to the Mini Sota Agricultural Children's Museum in Benson for improved accessibility and planning, design, and construction of exhibits.

**(j) Arts and Music Education; ACH Learners Grants**

\$500,000 the second year is for grants to organizations to offer scholarships to underserved youth and adults to pursue music, including singing, band, and orchestral instruments; creative writing; studio arts, including traditional craft and folk arts; and performing arts, including dance and theater, throughout the state. Priority for grants distributed in this paragraph must be given to:

(1) programs that have matching funding or existing resources to help facilitate group or individual lessons in the arts;

(2) high-quality arts programming that helps provide students with access to experienced teachers, musicians, and artists;

(3) programs that will provide scholarships to low-income and diverse communities that have been underserved by traditional arts funding;

(4) programs that are partnering with, or plan to partner with, public schools and community organizations to help reach students from diverse backgrounds;

(5) programs that can offer scholarships to existing high-quality arts programming, including camps, schools, and centers devoted to teaching any of the artistic scholarships; and

(6) programs that offer outreach and transportation services, as well as on-site

services, to help communities gain access to and use the scholarships awarded in this paragraph.

**(k) 50th Anniversary of Vietnam War/Southeast Asian Conflict**

\$150,000 the second year is for a joint commemoration program, in collaboration with the Minnesota Historical Society, for the 50th anniversary of the Vietnam War/Secret War in Laos/Southeast Asian conflict that recognizes and honors the contributions of the Vietnamese, Lao, Cambodian, Hmong, and other Minnesota Vietnam veterans. The Minnesota Humanities Center must prepare the program to leverage the unique skillsets and relationships in the four Southeast Asian Minnesotan communities and the broader communities.

**(l) Art From the Inside**

\$150,000 the second year is for a grant to Art From the Inside to use the arts, including but not limited to visual art, poetry, literature, theater, dance, and music, to address the supportive, therapeutic, and rehabilitative needs of incarcerated persons and persons on supervised release and promote a safer correctional facility and community environment.

**Subd. 6. Minnesota Historical Society**

-0-

1,201,000

(a) The amounts in this subdivision are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not

substitute for traditional sources of funding. The appropriations in this subdivision are onetime.

**(b) Grants**

(1) \$100,000 the second year is to facilitate negotiations for the purchase by the state of the Wizard of Oz ruby slippers through a combination of available state funds and nonstate sources of funding;

(2) \$400,000 the second year is for statewide historic and cultural grants to cultural community organizations, historical organizations, and veterans organizations for activities to commemorate 50 years of Southeast Asians in Minnesota. Money under this paragraph must be distributed through a competitive grant process. The Minnesota Historical Society must administer the grants using established grant mechanisms with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(3) \$200,000 the second year is for activities to prepare and coordinate community commemoration programs celebrating 50 years of Hmong Americans in Minnesota. The Minnesota Historical Society must form an advisory task force consisting of members of the Hmong community to advise the society on the design and implementation of these activities and programs;

(4) \$200,000 the second year is for planning and outreach, in collaboration with the Minnesota Humanities Center, for Minnesota's commemoration of the 250th anniversary of the signing of the Declaration of Independence. The Minnesota Historical Society and Minnesota Humanities Center must enter into an agreement between the organizations on how best to maximize the impact of this grant and of collaboration with statewide partners;

(5) \$50,000 the second year is for a grant to the Greater Litchfield Opera House Association to repair and update the Litchfield Opera House; and

(6) \$251,000 the second year is for a grant to the Dakota County Historical Society to design and build exhibits at the Lawshe Memorial Museum.

Sec. 3. Laws 2023, chapter 40, article 4, section 2, subdivision 3, is amended to read:

Subd. 3. <b>Minnesota State Arts Board</b>	47,421,000	44,796,000
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(a) The amounts in this subdivision are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

**(b) Arts and Arts Access Initiatives**

\$35,737,000 the first year and \$36,437,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state. Grants provided under this paragraph must prioritize artists and arts organizations that plan to present art from communities that have been historically underrepresented in the arts or that improve access to the



programs and projects for groups, including youth and historically underserved communities, that have struggled to access arts programming in the past.

**(c) Arts Education**

\$7,263,000 the first year and \$6,269,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts. Priority in the award of grants under this paragraph must be given to providing educational opportunities to underserved communities with grants for organizations or entities providing opportunities to K-12 students throughout the state for arts education, including access to arts instruction, arts programming, museums, and arts presentations.

**(d) Arts and Cultural Heritage**

\$2,421,000 the first year and \$2,090,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

**(e) Significant Art Project St. Paul**

\$2,000,000 the first year is for a grant to the Minnesota United Foundation for the design, land development, land transfer fees, and production costs of a public art project in St. Paul at the United Village site celebrating Minnesota arts and cultural heritage and providing a unique public art experience through sculpture and design. The project funded by this paragraph must have a matching ~~grant~~ contribution from nonpublic funds and must include a public-private partnership agreement providing an agreement for the future ownership, maintenance, taxes, and associated costs for the art project and project site. The project funded by this paragraph must have a

permanent sign indicating the project was funded through the arts and cultural heritage fund. This appropriation is available until June 30, 2028. Nonpublic contributions made after January 1, 2024, are eligible matching expenditures for the purposes of this grant.

**(f) Administrative Costs**

Up to five percent of the totals in paragraphs (b) to (e) each year is for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability ~~in~~ for fiscal years year 2024 and fiscal year 2025 appropriations.

**(g) Regional Arts Councils**

Thirty percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(h) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; modifying and extending prior appropriations; amending Laws 2023, chapter 40, article 3, sections 2, subdivision 1; 3; 4; article 4, section 2, subdivision 3."

We request the adoption of this report and repassage of the bill.

House Conferees: Leon Lillie, Liz Lee, Jeff Backer

Senate Conferees: Foug Hawj, Susan Pha, Karin Housley

Senator Hawj moved that the foregoing recommendations and Conference Committee Report on H.F. No. 4124 be now adopted, and that the bill be repassed as amended by the Conference

Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 4124 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 43 and nays 24, as follows:

Those who voted in the affirmative were:

Abeler	Frentz	Lang	Mohamed	Putnam
Boldon	Gustafson	Latz	Morrison	Rest
Carlson	Hauschild	Limmer	Murphy	Seeberger
Champion	Hawj	Mann	Nelson	Westlin
Cwodzinski	Hoffman	Marty	Oumou Verbeten	Westrom
Dibble	Housley	Maye Quade	Pappas	Wiklund
Duckworth	Klein	McEwen	Pha	Xiong
Dziedzic	Kunesh	Miller	Port	
Fateh	Kupec	Mitchell	Pratt	

Pursuant to Rule 40, Senator Boldon cast the affirmative vote on behalf of the following Senators: Dziedzic and Port.

Those who voted in the negative were:

Anderson	Draheim	Gruenhagen	Kreun	Rasmusson
Bahr	Drazkowski	Howe	Lieske	Utke
Coleman	Eichorn	Jasinski	Lucero	Weber
Dahms	Farnsworth	Johnson	Mathews	Wesenberg
Dornink	Green	Koran	Rarick	

So the bill, as amended by the Conference Committee, was repassed 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.

## APPOINTMENTS

Senator Murphy from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 4942: Senators Frentz, Klein, Putnam, Xiong, and Dahms.

S.F. No. 4699: Senators Wiklund, Mann, and Kupec.

Senator Murphy moved that the foregoing appointments be approved. The motion prevailed.

**MEMBERS EXCUSED**

Senator Draheim was excused from the Session of today from 1:00 to 1:40 p.m. Senator Jasinski was excused from the Session of today from 2:45 to 3:10 p.m.

**ADJOURNMENT**

Senator Murphy moved that the Senate do now adjourn until 11:00 a.m., Wednesday, May 15, 2024. The motion prevailed.

Thomas S. Bottern, Secretary of the Senate

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