Introduction

The Legal Services Advocacy Project (LSAP) is pleased to present the 2017 Session Summaries. These summaries cover a wide range of substantive areas and the specific changes to Minnesota law made by the 2017 Legislature that are the most relevant to the lives of low-income and financially-fragile Minnesotans and to the attorneys and advocates who serve and represent them. They are divided by area of substantive law, and contain the name and contact information for the LSAP attorney who is the lead in that substantive area. We hope you find them useful.

A Note on Citations

Each item in this contains two cites: (1) to the Session Law in which law change described was contained; and (2) if codified, the specific section and subdivision amended, added, or repealed.

Session Laws

Each of the individual bills presented to the Governor for either his signature or veto is assigned a Chapter number, mostly in the order they are presented to the Governor. Collectively, these Chapters comprise the 2017 Minnesota Session Laws. All the Chapters may be found on the Minnesota Legislature’s award-winning Web site. Click here to view.
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I. "GETTING TO WORK" PROGRAM

Regular Session, Chapter 94, Article 1, Section 2, Subd. 3 and Article 6, Section 25 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Note: The Minnesota Asset Building Coalition designed and led the advocacy effort to achieve legislative establishment of this program.

A. Establishment
Directs the Minnesota Department of Employment and Economic Development to make grants to nonprofit organizations to establish and operate programs that provide, repair, or maintain motor vehicles to assist eligible individuals to obtain or maintain employment.

B. Eligible Clients of Grantees
Limits eligibility of the client base served by grantees to individuals who: (1) have a household income at or below 200% of the federal poverty level; (2) are at least 22 years of age; (3) have a valid driver's license; (4) provides proof of motor vehicle insurance; and (5) demonstrates that a motor vehicle is required to obtain or maintain employment.

C. Required Services that Grantees Must Offer
Requires a grantee to offer one or more of the following services: (1) provision of new or used motor vehicles by gift, sale, or lease; (2) motor vehicle repair and maintenance services; or (3) motor vehicle loans. In addition, a grantee must offer one or more of the following services: (1) financial literacy education; (2) education on budgeting for vehicle ownership; (3) car maintenance and repair instruction; (4) credit counseling; or (5) job training related to motor vehicle maintenance and repair.
D. **Leveraging of Local Resources Required**
Requires that grantees submit a plan for leveraging resources from partners that may include, but are not limited to: (1) automobile dealers; (2) automobile parts dealers; (3) independent local mechanics and automobile repair facilities; (4) banks and credit unions; (5) employers; (6) employment and training agencies; (7) insurance companies and agents; (8) local workforce centers; and (9) educational institutions including vocational institutions and jobs or skills training programs.

E. **Appropriation**
Appropriates $200,000 ($100,000 each year) to the Minnesota Department of Employment and Economic Development for the “Getting to Work” Program.

F. **Report**
Requires the Minnesota Department of Employment and Economic Development to submit a report to the Legislature, by February 15, 2019, that includes: (1) the total number of program participants; (2) the number of program participants who received the provision of a motor vehicle, motor vehicle repair services, and motor vehicle loans; (3) the number of program participants who report that they or their children were able to increase their participation in community activities such as after school programs, other youth programs, church or civic groups, or library services as a result of participation in the program; and (4) an analysis of the impact of the Getting to Work Program on the employment rate and wages of program participants.

II. **FINES AND FEES**
*Regular Session, Chapter 95, Article 3, Section 27 - 29 (HF 470)*
*Omnibus Judiciary and Public Safety Finance and Policy Bill*

Amends:
- Laws 2009, Chapter 59, Article 3, Section 4, subd. 3, as amended by Laws 2011, Chapter 87, Section 1, subd. 3;
- Laws 2009, Chapter 59, Article 3, Section 4, subd. 8, as amended by Laws 2011, Chapter 87, Section 1, subd. 8; and
- Laws 2009, Chapter 59, Article 3, Section 4, subd. 9, as amended by Laws 2010, Chapter 197, Section 1, Laws 2011, Chapter 87, Section 1, subd. 9, and Laws 2013, Chapter 127, Section 60

*Effective August 1, 2017*

Extends the Driver Diversion Program, set to expire on June 30, 2017, until June 30, 2019. Requires any third-party vendors with which a city or county contracts to submit an annual independent audit, approved by the Minnesota Department of Public Safety, providing statutorily required information about the program.
Note: The inability to pay traffic and court fees and fines, established without consideration of ability to pay, often leads to a cascade of additional debt, adverse interaction with the court and criminal justice systems, suspension of driver’s licenses and the consequences that follow, such as the inability to get to work, school, or child care, or the untenable option of driving without a license, which often leads to further trouble. This phenomenon disproportionately impacts persons and communities of color and persons who are low-income.

The Minnesota Asset Building Coalition co-led a group of allies, including the City of Minneapolis, the Minneapolis and St. Paul City Attorneys, the Minnesota Association of Criminal Defense Lawyers, Voices for Racial Justice, and the American Civil Liberties Union to advocate for state policies that address this problem, focusing in part on extending the life of the existing Driver Diversion Program, which allows persons with outstanding fines to retain their driver’s licenses and drive legally while paying off the fines through an affordable payment plan. The Driver Diversion Program is currently offered in more than 120 cities and more than 20 counties.

III. APPROPRIATIONS

Regular Session, Chapter 94, Article 1, Sections 2, 3, and 7 (SF 1456)

Omnibus Jobs and Economic Development Finance and Policy Bill

Appropriations Section

Effective July 1, 2017

A. Disparities in the Criminal Justice System

- Appropriates $350,000 in fiscal year 2018 for a grant to AccessAbility Incorporated to provide job skills training to individuals who have been released from incarceration for a felony-level offense and are no more than 12 months from the date of release.

B. Disparities Related to Persons with Disabilities

1. Assistive Technology of Minnesota

   Appropriates $1,000,000, available until June 30, 2019 to the Minnesota Department of Employment and Economic Development for a grant to Assistive Technology of Minnesota to provide low-interest loans to individuals of all ages and types of disabilities to purchase assistive technology and employment-related equipment.

   Note: Assistive Technology Minnesota is a statewide nonprofit organization that is exclusively dedicated to the issues of access to and the acquisition of assistive technology.

2. Centers for Independent Living

   Appropriates $6,022,000 for the biennium ($3,011,000 each year) to the Minnesota Department of Employment and Economic Development for grants to Centers for Independent Living under the existing program under Minn. Stat. § 268A.11.
3. **Employment Services for Persons with Mental Illness**
   Appropriates $5,110,000 for the biennium ($2,555,000 each year) to the Minnesota Department of Employment and Economic Development for grants to programs that provide employment support services to persons with mental illness under Minn. Stat. §§ 268A.13 and 268A.14.

4. **Extended Employment Services for Persons with Severe Disabilities**
   Appropriates $27,650 (from multiple sources) for the biennium ($13,825,000 each year) to the Minnesota Department of Employment and Economic Development for extended employment services for persons with severe disabilities under Minn. Stat. § 268A.15.

5. **Minnesota Diversified Industries**
   Appropriates $900,000 for the biennium ($450,000 each year) to the Minnesota Department of Employment and Economic Development for grants to Minnesota Diversified Industries, Inc. to provide progressive development and employment opportunities for people with disabilities.

6. **Older Minnesotans Who are Becoming Blind**
   Designates $1,000,000 for the biennium ($500,000 each year) – out of the biennial budget of $12,850,000 for the State Services for the Blind – to provide training services for older Minnesotans who are becoming blind, including independent living skills to seniors to allow them to continue to live independently in their homes.

7. **Rental Assistance for Persons with Mental Illness**
   Appropriates $8,176,000 for the biennium ($4,088,000 each year) to the Minnesota Housing Finance Agency (MHFA) for the Rental Housing Assistance Program for Persons with a Mental Illness or families with an adult member with a mental illness, under Minn. Stat. § 462A.209. Requires MHFA to prioritize proposals that target eligible persons who desire to move to more integrated, community-based settings.

8. **Transition-Age Youth Who are Deaf, Deafblind, or Hard-of-Hearing**
   Appropriates $2,000,000 for the biennium ($1,000,000 each year) to the Minnesota Department of Employment and Economic Development for grants under Minn. Stat. § 268A.16, for employment services for persons, including transition-age youth, who are deaf, deafblind, or hard-of-hearing.

9. **Vocational Rehabilitation Program**
   Appropriates $28,600,000 for the biennium ($14,300,000 each year) for the state's vocational rehabilitation program administered by the Department of Employment and Economic Development. Establishes the base funding amount for the program in Fiscal Year 2020 and beyond at $10,800,000.
C. Gender Disparities

- Appropriates $300,000 for the biennium ($150,000 each year) for the Displaced Homemaker Programs, administered by the Department of Employment and Economic Development.

- Appropriates $1,000,000 for the biennium ($500,000 each year) to the Woman and High-Wage, High-Demand, Nontraditional Grant Program, administered by the Department of Employment and Economic Development.

D. Housing Disparities

1. Affordable Rental Investment Fund

   Appropriates $8,436,000 for the biennium ($4,218,000 each year) to the Minnesota Housing Finance Agency for the Affordable Rental Investment Fund Program under Minn. Stat. § 462A.05 to, among other things, finance the acquisition, rehabilitation, and debt restructuring of federally assisted rental property. Requires the owner of federally assisted rental property to agree to: (1) participate in the applicable federally assisted housing program; (2) extend any existing low-income affordability restrictions on the housing for the maximum term permitted; and (3) enter into an agreement that gives local units of government, housing and redevelopment authorities, and nonprofit housing organizations the right of first refusal if the rental property is offered for sale.

2. Challenge Grant Program

   Appropriates $29,850,000 ($14,925,000 each year) to the Minnesota Housing Finance Agency for the Economic Development and Housing Challenge Program under Minn. Stat. § 462A.33. Requires the agency to continue to strengthen its efforts to address the disparity rate between white households and indigenous American Indians and communities of color. Requires $2,416,000 of the biennial appropriation ($1,208,000 each year) to be made available during the first 11 months of the Fiscal Year exclusively for housing projects for American Indians.

3. Family Homeless Prevention

   Appropriates $17,288,000 ($8,769,000 the first year and $8,519,000 the second year) to the Minnesota Housing Finance Agency for the Family Homeless Prevention Program under Minn. Stat. § 462A.204.
4. **Home Ownership Assistance Fund**  
   Appropriates $1,770,000 for the biennium ($885,000 each year) to the Minnesota Housing Finance Agency for Home Ownership Assistance Program under Minn. Stat. § 462A.21. Directs the agency to continue to strengthen its efforts to address the disparity gap in the homeownership rate between white households and indigenous American Indians and communities of color.

5. **Homeownership Education, Counseling, and Training**  
   Appropriates $1,714,000 for the biennium ($857,000 each year) to the Minnesota Housing Finance Agency for the Homeownership Education, Counseling, and Training program under Minn. Stat. § 462A.209. Allows priority to be given to funding programs that are aimed at culturally specific groups who are providing services to members of their communities.

6. **Housing Trust Fund**  
   Appropriates $1,750,000 in Fiscal Year 2018 to the Minnesota Housing Finance Agency for the rental assistance to the Highly Mobile Students Program under Minn. Stat. § 462A.201.

E. **Racial/Cultural/Income Disparities**

1. **American Indian Opportunities and Industrialization Center (AIOIC) Northwest Indian Community Development (NWICD)**  
   Appropriates $500,000 for the biennium ($250,000 each year) to the Minnesota Department of Employment and Economic Development for a grant to the AIOIC, in collaboration with the NWICD, to reduce academic disparities for American Indian students and adults.

2. **Bois Forte Tribal Employment Rights Office**  
   Appropriates $230,000 in fiscal year 2018 to the Minnesota Department of Employment and Economic Development for a grant to the Bois Forte Tribal Employment Rights Office for an American Indian workforce development training pilot project.
3. **Bridges to Healthcare**
Appropriates $500,000 for the biennium ($250,000 each year) to the Minnesota Department of Employment and Economic Development for a grant to Bridges to Healthcare to provide career education, wraparound support services, and job skills training in high-demand health care fields to low-income parents, nonnative speakers of English, and other hard-to-train individuals, helping families build secure pathways out of poverty while also addressing worker shortages.
Specifies funding may be used for: (1) assistance with course fees; (2) child care; (3) transportation; and (4) safe and stable housing.
Note: Bridges to Healthcare is a collaboration among Hawthorne Education Center, Rochester Community and Technical College and Workforce Development, Inc. serving predominantly people of color.

4. **Build Wealth MN**
Appropriates $1,000,000 for the biennium ($500,000 each year) to Build Wealth MN to provide a family stabilization plan program including: (1) program outreach; (2) financial literacy education; and (3) budget and debt counseling.

5. **Capacity-Building Program**
Appropriates $1,000,000 for the biennium ($500,000 each year) to the Minnesota Department of Employment and Economic Development for a statewide capacity-building grant program. Requires the agency to select, through a Request for Proposal (RFP) process, a nonprofit organization to administer the capacity-building grant program. Requires the grantee to provide subgrants and technical assistance to smaller nonprofit organizations offering, or seeking to offer, workforce or economic development programming that addresses economic disparities in underserved cultural communities.

6. **CLUES (Latino Communities United in Service)**
Appropriates $1,500,000 for the biennium ($750,000 each year) to the Minnesota Department of Employment and Economic Development for a grant to CLUES to expand culturally tailored programs that address employment and education skill gaps for working parents and underserved youth by providing: (1) new job skills training to stimulate higher wages for low-income people; (2) family support systems designed to reduce intergenerational poverty; (3) youth programming to promote educational advancement and career pathways. Requires that at least 50% of the funding be used for programming targeted at greater Minnesota.
7. **East Phillips Improvement Coalition**  
Appropriates $319,000 in Fiscal Year 2018 to the Minnesota Department of Employment and Economic Development for a grant to the East Phillips Improvement Coalition to create the East Phillips Neighborhood Institute (EPNI) to expand culturally tailored resources that address small business growth and create green jobs. Requires the grant to fund the collaborative work of the following organizations towards developing the EPNI: (1) Tamales y Bicicletas; (2) Little Earth of the United Tribes; (3) a nonprofit serving East Africans; and (4) other coalition members.

8. **East Side Enterprise Center (ESEC)**  
Appropriates $300,000 in Fiscal Year 2018 to the Minnesota Department of Employment and Economic Development for a grant to ESEC to fund a collaborative approach to economic development and provide capacity building that: (1) is targeted to entrepreneurs of color on the East Side of St. Paul; (2) seeks to increase the productivity and success of new immigrant and communities of color (3) is effective with smaller, culturally diverse communities; (4) expands culturally tailored resources; (5) generates small business growth and wealth; and (6) generates job creation for local residents and business owners. Designates the recipient organizations to be: (1) African Economic Development Solutions; (2) the Asian Economic Development Association; (3) the Dayton's Bluff Community Council; and (4) the Latino Economic Development Center.

9. **Economic Disparities in the Southeast Asian Community**  
Appropriates $1,000,000 for the biennium ($500,000 each year) to the Minnesota Department of Employment and Economic Development for a competitive grant available to organizations providing services to relieve economic disparities in the Southeast Asian community through: (1) workforce recruitment; (2) development; (3) job creation; (4) assistance of smaller organizations to increase capacity; and (5) outreach.

10. **EMERGE Community Development**  
Appropriates $2,000,000 for the biennium ($1,000,000 each year) to EMERGE Community Development, in collaboration with community partners, for services targeting Minnesota communities with the highest concentrations of African and African-American joblessness to provide: (1) employment readiness training; (2) credentialed training placement; (3) job placement and retention services; (4) supportive services for hard-to-employ individuals; and (5) a general education development fast track and adult diploma program.
11. **Exodus Lending**
Appropriates $100,000 in Fiscal Year 2018 for a grant to Exodus Lending to assist individuals in reaching financial stability and resolving payday loans.

*Note: Exodus Lending is a faith-based nonprofit based in Minneapolis and is the only nonprofit dedicated solely to helping Minnesotans extract themselves from payday lending debt by paying off the debt to the payday lender and creating an affordable, installment payment agreement with the client.*

12. **Metropolitan Economic Development Association**
Appropriates $2,350,000 for the biennium ($1,175,000 each year) for a grant to Metropolitan Economic Development Association for statewide business development and assistance services, including services to entrepreneurs with businesses that have the potential to create job opportunities for unemployed and underemployed people, with an emphasis on minority-owned businesses.

*Note: MEDA works toward equal economic participation and assists entrepreneurs of color.*

13. **Minneapolis Foundation**
Appropriates $2,000,000 for the biennium ($1,000,000 each year) to the Minneapolis Foundation for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living-wage employment.

14. **Minnesota Emerging Entrepreneur Loan Program**
Appropriates $1.376 million for the biennium ($876,000 the first year and $500,000 the second year) to the Minnesota Department of Employment and Economic Development for the Minnesota Emerging Entrepreneur Loan Program, a program established in 2016 and administered by the Minnesota Department of Employment and Economic Development that transformed a metro program into a statewide one and changing the focus from serving low-income metropolitan areas to serving entrepreneurs who: (1) are women; (2) are entrepreneurs of color; (3) are veterans; (4) have disabilities; or (5) are low-income.

*Note: The Minnesota Asset Building Coalition and Metropolitan Consortium of Community Developers designed and led the advocacy effort to achieve legislative establishment of this program.*
15. **Neighborhood Development Center (NDC)**  
Appropriates $1,500,000 for the biennium ($750,000 each year) to the Minnesota Department of Employment and Economic Development for grants to NDC for small business for (1) training, lending, and business services; (2) model outreach and training in greater Minnesota; and (3) development of new business incubators.

*Note: NDC is a non-profit, community development financial institution.*

16. **Nonprofits Assistance Fund**  
Appropriates $1,000,000 for the biennium ($500,000 each year) to the Minnesota Department of Employment and Economic Development for a grant to the Nonprofits Assistance Fund to provide capacity-building grants to small, culturally specific organizations that primarily serve historically underserved cultural communities.

17. **Opportunities Industrialization Centers**  
- Appropriates $1,000,000 for the biennium ($500,000 each year) to the Opportunities Industrialization Center programs.
- Appropriates $1,500,000 for the biennium ($750,000 each year) for a grant to Summit Academy OIC to expand its contextualized GED and employment placement program.

18. **Pathways to Prosperity Program**  
Appropriates $12,286,000 for the biennium ($6,143,000 each year) from multiple sources to the Minnesota Department of Employment and Economic Development for the Pathways to Prosperity adult workforce development competitive grant program.

*Note: The Pathways to Prosperity Program helps educationally under-prepared adults succeed in high-demand, well-paying careers by integrating basic skills education and career-specific training in fields where new skills are in high demand. It is a collaboration between a number of state, local, and national partners.*

19. **Pillsbury United Communities**  
Appropriates $2,000,000 in fiscal year 2018 for a grant to Pillsbury United Communities for construction and renovation of a building in north Minneapolis for use as the "North Market" grocery store and wellness center, focused on offering healthy food, increasing health care access, and providing job creation and economic opportunities in one place for children and families living in the area. Requires that, to the extent possible, the market must community members who reside within a five-mile radius of the grocery store and wellness center.
20. **Prepare + Prosper**
   Appropriates $800,000 for the biennium ($400,000 each year) to the Department of Commerce for grants to Prepare and Prosper (formerly AccountAbility Minnesota) to develop, market, evaluate, and distribute a financial services inclusion program that will assist low-income and financially underserved populations build savings, strengthen credit, and provide services to assist them in being more financially stable and secure.

   *Note: Prepare + Prosper provides free tax preparation assistance and financial capability and asset building services to approximately 13,000 low-income Minnesotans each year.*

21. **Resource, Inc.**
   Appropriates $1,000,000 for the biennium ($500,000 each year) to Resource, Inc. to provide career education and job skills training are fully integrated with chemical and mental health services to low-income clients.

   *Note: Resource, Inc. is a nonprofit that provides recovery, and employment and career advancement services to clients in the Twin Cities and Greater Minnesota who experience barriers to education, employment and wellness.*

22. **Support Services Program**
   Appropriates $1,500,000 for the biennium ($750,000 each year) to the Minnesota Department of Employment and Economic Development for a competitive grant program to provide grants to organizations that provide support services for individuals, such as: (1) job training; (2) employment preparation; (3) internships; (4) job assistance to fathers; (5) financial literacy; (6) academic and behavioral interventions for low-performing students; and (7) youth intervention. Requires grants to focus on: (1) low-income communities; (2) young adults from families with a history of intergenerational poverty; and (3) communities of color.

23. **Ujamaa Place**
   Appropriate $1,200,000 for the biennium ($600,000 each year) to Ujamaa Place for job training, employment preparation, internships, education, training in the construction trades, housing, and organizational capacity building.

   *Note: Ujamaa Place is an African American culturally specific organization focused on young men who may suffer multiple barriers to becoming stable.*
24. **White Earth Nation**  
Appropriates $250,000 for the biennium ($125,000 each year) for a grant to the White Earth Nation for the White Earth Nation Integrated Business Development System to provide business assistance with workforce development, outreach, technical assistance, infrastructure and operational support, financing, and other business development activities.

25. **YWCA of Minneapolis**  
Appropriates $1,050,000 for the biennium ($525,000 each year) to the YWCA of Minneapolis to provide economically challenged individuals the job skills training, career counseling, and job placement assistance necessary to secure a child development associate credential and to have a career path in early childhood education.

IV. **CENTRAL MINNESOTA OPPORTUNITY GRANT PROGRAM**  
*Regular Session, Chapter 94, Article 6, Section 8 (SF 1456)*  
*Omnibus Jobs and Economic Development Finance and Policy Bill*  
*Adds Minn. Stat. § 116J.9922*  
*Effective August 1, 2017*

Creates the Central Minnesota Opportunity Grant Program under the Minnesota Department of Employment and Economic Development, to be administered by the Central Minnesota Community Foundation, to identify and support community initiatives operated by nonprofit organizations in the St. Cloud area that enhance long-term economic self-sufficiency by improving education, housing, and economic outcomes for central Minnesota communities of color through: (1) economic development, including but not limited to programs to foster entrepreneurship or small business development; (2) education, including but not limited to programs to encourage civic engagement or provide youth after-school or recreation programs; or (3) housing, including but not limited to, programs to prevent and respond to homelessness or to provide access to loans or grants for housing stability and affordability. Requires the Minnesota Department of Employment and Economic Development to report to the Legislature by January 15, 2019, and each January 15 thereafter through 2022, that includes data on the number of individuals served and, to the extent practical, measures of progress toward achieving the specified outcomes.
V. **DISPARITIES IN INFANT MORTALITY RATES**  
*First Special Session, Chapter 6, Article 10, Section 97 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 145.928, subd. 13*  
*Effective July 1, 2017*

Provides that the Department of Health’s annual report on public health grants made to decrease racial and ethnic disparities in infant mortality rates must be released to the public.

VI. **JOB CREATION FUND**  
*Regular Session, Chapter 94, Article 6, Sections 4 - 7 (SF 1456)*  
*Omnibus Jobs and Economic Development Finance and Policy Bill*  
*Amends Minn. Stat. § 116J.8748, subds. 1, 3, 4, and 6*  
*Effective August 1, 2017*

*Note: The Minnesota Job Creation Fund is administered by the Minnesota Department of Employment and Economic Development and provides financial incentives to new and expanding businesses that meet certain job creation and capital investment targets. Companies deemed eligible to participate may receive up to $1 million (and in some cases, up to $2 million) for creating or retaining high-paying jobs and for constructing or renovating facilities or making other property improvements.*

A. **Key Definitions**

1. **“Minority Person”**  
   Defines “minority person” to mean “a person belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.  
   *Amends Minn. Stat. § 116J.8748, subd. 1 by adding a definition*

2. **“Persons with a Disabilities”**  
   Defines “persons with disabilities” to mean “an individual with a disability, as defined under the Americans with Disabilities Act, United States Code, title 42, section 12102.”  
   *Amends Minn. Stat. § 116J.8748, subd. 1 by adding a definition*

B. **Designation as Minnesota Job Creation Business**  
 Adds that a business may be designated as a Minnesota Job Creation Business if 51% of the business is cumulatively owned by minorities, veterans, women, or persons with a disability.  
*Amends Minn. Stat. § 116J.8748, subd. 3*
C. **Increase to Award**
   Adds that a business may have an award increased by $1,000 under the Minnesota Job Creation Fund if 51% of the business is cumulatively owned by minorities, veterans, women, or persons with a disability.
   *Amends Minn. Stat. § 116J.8748, subd. 6*

VII. **WORKING FAMILY CREDIT**

A. **Native American Eligibility**
   *First Special Session, Chapter 1, Article 1, Section 20 (HF 1)*
   *Omnibus Tax Bill*
   *Amends Minn. Stat. § 290.0671, subd. 1*
   *Effective for taxable years beginning after December 31, 2016*
   Allows Native Americans to count their on-reservation earnings as income for purposes of the credit.

B. **Single Adults**
   *First Special Session, Chapter 1, Article 1, Section 20 (HF 1)*
   *Omnibus Tax Bill*
   *Amends Minn. Stat. § 290.0671, subd. 1*
   *Effective for taxable years beginning after December 31, 2018*
   Lowers the age limit for households without qualifying children to 21 to qualify for the Working Family Credit, expanding the credit by $6.7 million.

C. **Marriage Penalty**
   *Regular Session, Chapter 1, Section 6 (HF 2)*
   *Tax Conformity Bill*
   *Amends Minn. Stat. § 290.0671, subd. 1*
   *Effective for taxable years beginning after December 31, 2016*
   Reduces the “marriage penalty” in conformance with federal law.

*Note: A marriage penalty occurs when a married couple pays higher tax than they would if each spouse could file as a single and pay tax on his or her own income.*
VIII. CHILD AND DEPENDENT CARE CREDIT
First Special Session, Chapter 1, Article 1, Sections 18, 19 and 44 (HF 1)
Omnibus Tax Bill
Amends Minn. Stat. §§ 290.067, subd. 1; and 290.0671, subd. 1
Effective for taxable years beginning after December 31, 2016

Ends the limits of the size of the credit (which has the effect of matching the federal maximum credits, which are larger than the previous limits), increasing the available credits by $36 million. Creates a new income phase out formula and updates references for the inflation adjustment.
I. CHILD CARE ASSISTANCE – APPLICATION
First Special Session, Chapter 6, Article 7, Sections 7 and 12 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. §§ 119B.025, subd. 1; and 119B.09, subd. 1
Effective October 23, 2017, except copayment and recoupment provisions that are effective May 31, 2017

Clarifies that counted income is considered at application.

Requires county to mail a notice either approving or denying the application within 30 calendar days of when the application was received. That may be extended by 15 calendar days if the applicant is informed of the extension.

Clarifies that both cooperation with child support enforcement, and income eligibility parameters apply at both application and redetermination (instead of “program entry” and “program exit”).

Makes payment of copayments, and recoupments due to program overpayments a condition of continued program eligibility. (Effective May 31, 2017)

II. CHILD CARE ASSISTANCE – REDETERMINATIONS
First Special Session, Chapter 6, Article 7, Section 8 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. §119B.025, subd. 3
Effective October 23, 2017

Requires the county to conduct a redetermination of the applicant’s eligibility no more frequently than every 12 months, subject to the following criteria:

- A family meets redetermination eligibility if a complete redetermination form and all required verifications are received within 30 days of when the form was due;
  - If the 30th day falls on a Saturday, Sunday or holiday, the timeline is extended to the next day that is not a Saturday, Sunday, or holiday;
- Payments are retroactive to the redetermination due date; and
• If one parent is under age 21, without a high school diploma or GED, and is a student in a
school district or similar program that provides or arranges child care, and provides for
social services, parenting and career/academic supports to support high school graduation,
redetermination can be deferred beyond the 12 months to the end of the school year; and
• Both the family and the family’s provider must be notified at least 45 days before the end
of the 12 month eligibility period that redetermination is due; and
• Counties must use the redetermination forms created by DHS, and must verify eligibility
under existing laws (including amendments or additions made in the 2017 Regular Session
and/or First Special Session).

III. CHILD CARE ASSISTANCE – ELIGIBILITY
First Special Session, Chapter 6, Article 7, Sections 9, 13 and 30 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245P.07, subd. 3
Adds Minn. Stat. §§ 119B.025, subd. 4; and 199B.09, subd. 4
Effective October 23, 2017; except for reporting income provision that is effective May 31, 2017
and MFIP income changes that are effective December 18, 2017.

Requires families to comply with income and changes requirements for Economic Assistance
Programs (See Minn. Stat. §256P.07). (Effective May 31, 2017)

Generally provides that unless a change in income makes a family ineligible for Child Care
Assistance, changes that occur during the 12-month redetermination period do not require
verification and will not change the family’s copay during that 12-month period. This 12-month
timing also applies to self-employed parents. Makes conforming changes to MFIP statute (See
Minn. Stat. §256P.07, subd. 3; effective December 18, 2017).

If a reported change does result in the family’s income being over the eligibility limit, which is
85% of state median income, adjusted for household size, the family must be given 15 days to
provide verification of the change. If the verification is not returned, or confirms ineligibility,
the family’s assistance ends after a subsequent 15-day adverse action notice.

If a participant or applicant’s employment ends, the employment termination can be verified by
a signed statement by the applicant or participant that the employment ended.
IV. CHILD CARE ASSISTANCE – AUTHORIZATIONS

First Special Session, Chapter 6, Article 7, Sections 15 and 17 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 119B.10, subd. 1
Adds Minn. Stat. § 119B.011
Effective December 18, 2017

Creates general framework for CCAP authorizations so that the same number of hours authorized continue until reauthorization, including:

- The county agency must consider the amount of time the parent reports on the authorization or redetermination form that the child attends Head Start, preschool or school while the parent is in an authorized activity;
- Notwithstanding Minnesota Rules, chapter 3400, CCAP authorized for employment, education or and MFIP/DWP employment plan will remain the same, or may increase, for the 12-month period, including:
  - When the other parent moves in and has approved education, employment or MFIP/DWP employment plan; or
  - The participant temporarily stops working or attending school. Temporary changes include, but are not limited to:
    - Medical leave;
    - Seasonal employment fluctuations; and
    - School break between semesters.
- The county may increase the amount of authorized hours at any time if the participant verifies the increased need for authorized activities.
- The county may decrease the amount of authorized hours at any time – if requested by the participant – for the following reasons:
  - Child’s school schedule;
  - Custody schedule; or
  - Provider’s availability.
- At redetermination, if the family remains generally eligible, the authorized hours may be increased, decreased or remain the same, depending upon the amount of time for child care reported on the form.

These provisions do not apply to participants who:
- Uses more than one provider per child;
- Uses a legal nonlicensed provider; and
- Is employed by a child care center licensed by DHS or the employer is a high-risk Medicaid-enrolled provider.

For these families, CCAP will continue to be authorized and scheduled based upon the applicant’s verified activity schedule. The amount of authorized hours will change, including decreased hours, as the parent’s verified activity schedule changes.
V. CHILD CARE ASSISTANCE – ELIGIBILITY EXTENSION
First Special Session, Chapter 6, Article 7, Section 19 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. §§ 119B.105
Effective December 18, 2017

Creates three month extended eligibility, rather than ending or suspending eligibility, for a family receiving CCAP when:
• The family meets all other eligibility requirements;
• The participant’s employment or education permanently ends;
• The other parent moves in and does not participate in an authorized activity;
• The participant’s MFIP assistance ends and participation in authorized activities ends or is unknown;
• A student parent stops attending school; or
• A parent receiving either Transition Year or Basic Sliding Fee child care assistance applies for MFIP and the parent is either not participating in authorized activities or the participation is unknown.

During extended eligibility, the amount of authorized hours must remain the same or can increase.
If redetermination is not due at the end of the three month extended eligibility period, the parent must be employed or attending school, and meeting those requirements for CCAP to continue. If CCAP continues, the amount of hours remains the same unless the participant requests decreased hours for the following reasons:
  o Child’s school schedule;
  o Custody schedule; or
  o Provider’s availability.

Participants who continue CCAP but use multiple providers, legal nonlicensed providers, or are employed by a DHS-licensed child care center or employer identified as a high-risk Medicaid-enrolled provider must have authorized hours tied to the participant’s activity schedule.

If redetermination occurs before the end of the three month extended eligibility, the family must verify that they meet child care assistance eligibility requirements for CCAP to continue. If CCAP does continue, authorizations are determined by general eligibility and authorization criteria, including parents who use multiple providers, legal nonlicensed providers, or are employed by a DHS-licensed child care center or employer identified as a high-risk Medicaid-enrolled provider. (See Minn. Stat. §§ 119B.10 and 119B.095, subd. 1(b))
VI. CHILD CARE ASSISTANCE – PARENT FEE/COPAYMENT
*First Special Session, Chapter 6, Article 7, Section 20 (SF 2)*
*Omnibus Health and Human Services Budget Bill*
*Amends Minn. Stat. § 119B.12, subd. 2*
*Effective October 23, 2017*

Aligns parent fees for child care assistance (copays) with 12-month eligibility. Copayment amount will be set at initial application, and then at redetermination. Prohibits copay increases during the 12-month period.

VII. CHILD CARE ASSISTANCE - TRANSITION YEAR/TRANSITION YEAR EXTENSION AND EDUCATION
*First Special Session, Chapter 6, Article 7, Sections 5 and 6 (SF 2)*
*Omnibus Health and Human Services Budget Bill*
*Amends Minn. Stat. § 119B.011, subds. 20 and 20a*
*Effective October 23, 2017*

Extends Transition Year (TY) and Transition Year Extension (TYE) child care assistance for approved education or training programs. This authorization applies to programs that meet the definition of an approved program under existing law *(See Minn. Stat. § 119B.10)*, and applies notwithstanding the provisions of Minnesota Rules, parts 3400.0040, subpart 10 and 3400.0090, subpart 2.

VIII. CHILD CARE ASSISTANCE – MULTIPLE PROVIDERS
*First Special Session, Chapter 6, Article 7, Section 16 (SF 2)*
*Omnibus Health and Human Services Budget Bill*
*Amends Minn. Stat. § 119B.13, subd. 1*
*Adds Minn. Stat. § 119B.097*
*Effective April 23, 2018*

Requires CCAP participants who use multiple providers of the following types to designate a primary and secondary provider:

- A licensed individual or child care center;
- A licensed individual or child care center holding a license from another state or tribe; or
- A license-exempt child care center.

Limits authorized payments to the secondary provider to 20 hours per two-week service period per child, pursuant to existing child care reimbursement rates. *(See Minn. Stat. § 119B.13, subd. 1)*

Limits the total amount of CCAP authorized to the child’s school schedule, the participant’s activity schedule, and any other factors relevant to the family's needs.

Limits maximum reimbursement rates for a secondary provider so they cannot exceed:

- The daily rate for one day of care;
- The weekly rate for one week of care by the child’s primary provider; and
- Two daily rates during two weeks of care by a child’s secondary provider.
IX. CHILD CARE ASSISTANCE – STUDENT AUTHORIZATION
First Special Session, Chapter 6, Article 7, Section 18 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 119B.10, subd. 3
Effective December 18, 2017

Authorizes CCAP for students for all class time and credit hours, including independent studies and internships, and up to two hours of travel time per day if the student is in good standing and making satisfactory progress toward the degree, subject to the following limitations:

- Student must be otherwise eligible for either MFIP or Basic Sliding Fee child care assistance, including any limitations set forth in the county’s approved child care fund plan;
- Maximum time for eligibility is no longer than the educational institution determines necessary to complete the credit requirements for the associate’s or baccalaureate degree;
- Basic or remedial education programs needed for postsecondary education or employment, including GED, high school or English as a second language programs are not applicable to the time limits, but cannot be taken concurrently with other approved educational programs.

Authorizes CCAP payments for postsecondary students for four hours per credit hour for study time and academic appointments per service period.

If a student begins receiving MFIP/DWP, the student’s CCAP approval continues until the education is included in the MFIP/DWP employment plan, or until redetermination, whichever occurs first. CCAP is authorized under the person’s MFIP/DWP employment plan. If the student moves to another county, remains eligible, and continues with the education/training program, CCAP must continue from the county responsible for the employment plan. If MFIP/DWP ends, but the education included in the plan continues, the student is eligible for Transition Year child care assistance until the education is included in an approved education plan or redetermination.

X. CHILD CARE ASSISTANCE - STUDENT PARENTS/MFIP CHILD CARE
First Special Session, Chapter 6, Article 7, Section 11 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 119B.05 subd. 1
Effective October 23, 2017

Extends MFIP child care eligibility for “student parents” (as defined under current law as generally students under age 21, is in a county with a Basic Sliding Fee (BSF) waiting list, and pursuing a high school diploma or GED; See Minn. Stat. § 119B.011, subd. 19b) who turn age 21 and otherwise still meet the definition of student parents. Eligibility extends until the parent’s next redetermination or receipt of BSF child care, whichever occurs first. If the parent is still on the waiting list at redetermination, eligibility ends after a 15-day adverse action notice.
XI.  CHILD CARE ASSISTANCE- CHILD CARE CENTERS
First Special Session, Chapter 6, Article 7, Section 14 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 119B.09, subd. 9a
Effective April 23, 2018

Limits CCAP authorization for children who are dependents of child care center employees to 25 children or less. If a center is authorized for more than 25 children, no further children can be authorized until the number falls below 25. Clarifies that while more than 25 children are authorized, CCAP payments made during that time are not overpayments.

XII.  CHILD AND DEPENDENT CARE TAX CREDIT
First Special Session, Chapter 1, Article 1, Sections 18, 19 and 44 (HF 1)
Omnibus Tax Bill
Amends Minn. Stat. § 290.067, Subds. 1 and 2b
Repeals Minn. Stat. § 2690.067, Subd. 2 (current limitation on child and dependent care credit)
Effective for tax years beginning after December 31, 2016

Expands eligibility for the child and dependent care tax credit, and increases the amount of the child and dependent care tax credit.

Matches the state tax credit to the existing federal credit for incomes up to $50,000 Adjusted Gross Income (AGI) per year. Begins to phase out the tax credit for taxpayers with an AGI over $50,000 per year, the tax credit is the lesser of either (1) the credit calculated with the underlying formula or (2) for taxpayers with one qualifying individual, $600 less 5% of the federal AGI over $50,000; or for taxpayers with two or more qualifying individuals, $1200 less 5% of the federal AGI over $50,000. Clarifies that this remains a refundable credit, and cannot be a negative credit.
Updates inflation adjustment to tax year 2016, with subsequent adjustments to begin in 2018.

<table>
<thead>
<tr>
<th>AGI</th>
<th>Maximum for One Dependent</th>
<th>Maximum for Two or More Dependents</th>
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<td>Maximum credit decreases by $60 for each $2,000 of AGI over $15,000</td>
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<tr>
<td>$50,000 to $62,000</td>
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<tr>
<td>Over $74,000</td>
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</tr>
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</table>

Source: Minnesota House Research, Act Summary, Chapter 1, 2017 First Special Session; http://www.house.leg.state.mn.us/hrd/as/90/2017-1/as001.pdf

XIII. CHILD CARE ASSISTANCE – PROVIDER BILLING
First Special Session, Chapter 6, Article 7, Section 22 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 119B.13, subd. 6
Effective September 25, 2017

Requires CCAP reimbursement payment to providers within 21 days of receipt of complete billing from the provider. Deletes existing requirement for providers to submit billing within ten days of the end of the service period.

XIV. CHILD CARE ASSISTANCE – REIMBURSEMENT RATES IN SPECIFIC COUNTIES
First Special Session, Chapter 6, Article 7, Section 21 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 119B.13, subd. 1
Effective July 1, 2018

Clarifies maximum provider rate for child care providers located in two or more of the counties of Benton, Stearns and Sherburne. The applicable rate will be the highest maximum rate applicable in those counties or the provider’s charge, whichever is less.
XV. **CHILD CARE – PARENTAL ACCESS**  
*First Special Session, Chapter 6, Article 16, Section 4 (SF 2)*  
*Omnibus Health and Human Services Budget Bill*  
*Adds Minn. Stat. § 245A.14, subd. 15*  
*Effective August 1, 2017*

Requires provider to allow a parent or legal guardian access to their enrolled child at any time the child is in care.

XVI. **CHILD CARE LICENSING – MALTREATMENT AND FINES**  
*First Special Session, Chapter 6, Article 9, Section 8 (SF 2)*  
*Omnibus Health and Human Services Budget Bill*  
*Amends Minn. Stat. § 245A.07, subd. 3*  
*Effective August 1, 2017*

Establishes $5000.00 fine for a license holder responsible for a determination of serious maltreatment.

Limits fine to $1,000 per determination of maltreatment for license holders who operate a children family day care or group family day care (See Minn. Rules, parts 9502.0300 to 9502.0495) out of the license holder’s home.

XVII. **CHILD CARE PROVIDER TRAINING - RELATIVE**  
*First Special Session, Chapter 6, Article 7, Section 24 (SF 2)*  
*Omnibus Health and Human Services Budget Bill*  
*Amends Minn. Stat. § 245A.50, subd. 5*  
*Effective July 1, 2017*

Exempts relatives who are (1) only caring for the license holder’s own child, who is under school age; and (2) is not designated as a caregiver, helper or substitute, is exempt from training requirements for Sudden Unexplained Infant Death and Abusive Head Trauma.
XVIII. CHILD CARE LICENSING – CHANGES IN LAW, STATUTES, RULES AND POLICY
First Special Session, Chapter 6, Article 9, Section 9 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 245A.1434
Effective July 1, 2017
Requires DHS to timely inform family child care and child care center providers of changes to:
- State and federal statute, rule, regulation and policy related to providing licensed child care;
- Child Care Assistance Program under Minn. Stat. Chapter 119B;
- Quality Rating and Improvement System under Minn. Stat. §124D.142;
- Child care licensing functions delegated to counties.

Communications must include information for license holder compliance with any changes, and may be communicated to providers electronically. Requires DHS to make these communications available to the public online.

XIX. CHILD CARE LICENSING – INSPECTION EXIT INTERVIEW
First Special Session, Chapter 6, Article 9, Section 3 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.04, subd. 4
Effective October 1, 2017

Requires licensing agency, before completing inspection at a child care center or licensed family child care, to offer an exit interview to discuss (1) observed violations or law or rule; and (2) technical assistance on how to comply.

Clarifies that this provision does not prohibit a correction order or other negative actions for violations that were not discussed during the exit interview, or if the provider chooses not to participate in the exit interview.

XX. CHILD CARE LICENSING – FIX IT TICKET
First Special Session, Chapter 6, Article 9, Section 7 (SF 2)
Omnibus Health and Human Services Budget Bill
Creates Minn. Stat. § 245A.065
Effective October 1, 2017

Requires DHS, in consultation with stakeholders, to report on a list of violations of Chapter 245A and Minnesota Rules, Chapter 9502 and Chapter 9503, that are eligible for a fix-it ticket.

Requires issuance of a fix-it ticket in lieu of a correction order if:
- The provider violates a provision determined to be eligible for a fix-it ticket in lieu of a correction order;
- The violation doesn’t immediately endanger the health, safety or rights of persons served by the program;
• The provider didn’t receive a fix-it ticket or corrective order for the violation at the provider’s last inspection;
• The violation can be corrected at inspection or within 48 hours of inspection (excluding Saturdays, Sundays and holidays); and
• The license holder fixes the violation at inspection or agrees to fix it within 48 hours of inspection (excluding Saturdays, Sundays and holidays).

Requires the fix-it ticket to state:
• The conditions that violate the law or rule;
• Specific law or rule violated; and
• That the violation was corrected at the time of inspection, or must be corrected within 48 hours, not including Saturdays, Sundays or holidays.

Requires provider, within 48 hours of receiving the fix-it ticket (excluding Saturdays, Sundays and holidays) to correct the violation, and within one week provide evidence that the violation was corrected to the licensing agency. If the violation isn’t fixed or evidence submitted within these timelines, a correction order must be issued.

Prohibits DHS from publicly posting any fix-it ticket on the DHS website.

XXI. CHILD CARE LICENSING – RECONSIDERATION OF CORRECTION ORDERS IN ERROR
First Special Session, Chapter 6, Article 9, Section 4 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.06, subd. 2
Effective July 1, 2017

Permits licensed family child care providers (and only licensed family child care providers) to request expedited review of a correction order that provider believes are in error if:
• The provider is challenging a violation and provides a description of how complying with the corrective action will require a substantial expenditure of funds or a significant program change; and
• Describes the actions the provider will take in lieu of the corrective action to ensure the children’s health and safety pending review of the correction order.

Requires DHS to provide a form for expedited review, and requires the provider to use the form to request expedited review.
XXII. CHILD CARE LICENSING – CORRECTION ORDER POSTING
First Special Session, Chapter 6, Article 9, Section 5 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.06, subd. 8
Effective July 1, 2017

Requires DHS to issue an amended correction order if a violation in the original order, after reconsideration, is reversed or rescinded. Requires the provider to post the amended order.

Requires the provider to remove the correction order posting if the order is reversed or rescinded in full after reconsideration.

XXIII. CHILD CARE LICENSING – CORRECTION ORDERS POSTING GUIDELINES
First Special Session, Chapter 6, Article 7, Section 35 (SF 2)
Omnibus Health and Human Services Budget Bill
Uncodified Language
Effective July 1, 2017

Requires Department of Human Services (DHS) to develop guidelines for posting public licensing data for licensed child care providers. Requires DHS to work with stakeholders in developing the guidelines, which must be completed by November 1, 2017.

XXIV. CHILD CARE LICENSING - ANNUAL TRAINING
First Special Session, Chapter 6, Article 9, Sections 1 and 2 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.02, subd. 2b
Adds Minn. Stat. § 245A.02, subd. 2c
Effective July 1, 2017

Redefines “annual” or “annually” for purposes of child care training requirements to mean the 12-month period beginning on the license effective date or annual anniversary of the effective date, and ending the day prior to the annual anniversary of the license effective date.

Note: This definition applies only to training. Other annual requirements remain under current law’s definition, which is the same month of the subsequent calendar year.
XXV. CHILD CARE LICENSING – QUOTAS
First Special Session, Chapter 6, Article 9, Section 6 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 245A.06, subd. 9
Effective July 1, 2017

Prohibits DHS or any county licensing agency from ordering, mandating, requiring or suggesting a quota of correction orders to any person responsible for licensing or inspection of a child care center or license family child care or an annual, quarterly, monthly, weekly or daily basis.

XXVI. REPORT TO LEGISLATURE – STATUS OF CHILD CARE
First Special Session, Chapter 6, Article 9, Section 10 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 245A.153
Effective July 1, 2017; Sunsets February 2, 2020

Requires DHS to report annually, beginning February 1, 2018 and ending February 1, 2020, on the status of child care in Minnesota.

Requires the report to include:

1. Summary data on trends in child care center and family child care capacity and availability throughout the state, including the number of centers and programs that have opened and closed and the geographic locations of those centers and programs;
2. Description of any changes to statutes, administrative rules, or agency policies and procedures that were implemented in the year preceding the report;
3. Description of the actions the department has taken to address or implement the recommendations from the Legislative Task Force on Access to Affordable Child Care Report dated January 15, 2017, including but not limited to actions taken in the areas of:
   a. encouraging uniformity in implementing and interpreting statutes, administrative rules, and agency policies and procedures relating to child care licensing and access;
   b. improving communication with county licensors and child care providers regarding changes to statutes, administrative rules, and agency policies and procedures, ensuring that information is directly and regularly transmitted;
   c. providing notice to child care providers before issuing correction orders or negative actions relating to recent changes to statutes, administrative rules, and agency policies and procedures;
   d. implementing confidential, anonymous communication processes for child care providers to ask questions and receive prompt, clear answers from the department;
   e. streamlining processes to reduce duplication or overlap in paperwork and training requirements for child care providers; and
   f. compiling and distributing information detailing trends in the violations for which correction orders and negative actions are issued;
4. Description of the department's efforts to cooperate with counties while addressing and implementing the task force recommendations;
5. Summary data on child care assistance programs including but not limited to state funding and numbers of families served; and
6. Summary data on family child care correction orders, including:
   i. the number of licensed family child care provider appeals or requests for reconsideration of correction orders to the Department of Human Services;
   ii. the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services grants; and
   iii. the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services denies.

Permits DHS, as part of the report, to include recommendations for legislative action.

XXVII. CHILD CARE BACKGROUND STUDIES – APPLICABILITY
First Special Session, Chapter 6, Article 16, Sections 19, 20, 23, 24 and 36 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. §§ 245C.03, subd. 1; 245C.05, subd 2b and 4; and 245C.17, subd. 6
Adds Minn. Stat. § 245C.03, subd. 6a
Various Effective Dates

A. Licensed Programs
Requires DHS to conduct a background study on: (1) controlling individual of a licensed child care (defined at Minn. Stat. § 245A.02, subd. 5a); (2) child care staff (defined at Minn. Stat. § 245C.02, subd. 6a). Provides that the requirement to conduct background studies on individuals over at 12 who are living in the household and individuals who don’t have direct contact with children, but may have unsupervised access to children apply to legal non-licensed child care and certified license-exempt centers.
Section 19
Amends Minn. Stat. § 245C.03, subd. 1
Effective when the Department of Human Services implements NETStudy 2.0 or October 1, 2017, whichever is later.

B. Legal Nonlicensed and Certified Child Care Programs
Requires DHS to conduct background studies for legal nonlicensed child care and certified license-exempt child care centers.
Section 20
Adds Minn. Stat. § 245C.03, subd. 6a
Effective October 1, 2017
C. **Collection and Transmission of Information**

Requires counties to collect information for these background studies and electronically forward them to DHS.

*Sections 23, 24, and 36*

*Amends Minn. Stat. §§ 245C.05, subd 2b and 4; and 245C.17, subd. 6*

*Effective May 31, 2017*

*Note: Technically, the bill makes these sections effective May 31, 2017. However, the bill’s language makes it practically effective upon the implementation of NETStudy 2.0.*

XXVIII. **CHILD CARE BACKGROUND STUDIES – TIMING AND REQUIREMENTS**

*First Special Session, Chapter 6, Article 16, Sections 21 and 27 (SF 2)*

*Omnibus Health and Human Services Budget Bill*

*Amends Minn. Stat. §§ 245C.04, subd. 1; and 245C.08, subd. 1*

*Effective October 1, 2017*

Effectively moves background studies for family child care, certified license-exempt child care, and legal nonlicensed child care to DHS. Extends background study requirements to child care staff (as defined at Minn. Stat. §245C.02, subd. 6a) of a family child care program, licensed child care center, certified license-exempt child care center, or legal nonlicensed provider.

Requires background studies to include fingerprints for a national criminal history record check, search of by name and date of birth search of the National Sex Offender Public Web Site, in additional to and all other background study requirements under the existing general background study provisions. *(See Minn. Stat. §245C.08)* Permits DHS to set the schedule for timing of these background studies.

Requires the following from individuals at licensed family child care license reapplication:

- First, middle and last name, and any other names by which the individual has been known;
- Current home address, city, state and zip code of residence;
- Sex;
- Date of birth;
- Driver’s license or State Identification Number;
- Home address, city, county and state of residence for the past 5 years;
- Photograph and fingerprints, as set forth in Minn. Stat. §245C.05, subd. 5.

Requires counties at licensed family child care reapplication, to verify the information and electronically forward it to DHS.

Requires DHS to consider this information and all other existing general background study information. *(See Minn. Stat. § 245C.08)*

Requires DHS background study on a person newly affiliated with a licensed family child care provider or legal nonlicensed child care provider.
Clarifies that repeat background study is not required of a family child care provider’s substitute care giver if the substitute care giver’s background study was completed on or after October 1, 2017 and the substitute care giver is on the provider’s active roster under NETStudy 2.0.

Exempts before and after school child care programs from background studies for schools (See Minn. Stat. § 123B.03) or an employee who has a completed background study under Minnesota Statutes, Chapter 245C.

**XXIX. CHILD CARE BACKGROUND STUDIES – FALSE STATEMENTS**

*First Special Session, Chapter 6, Article 16, Section 30 (SF 2)*  
*Omnibus Health and Human Services Budget Bill*  
*Adds Minn. Stat. § 245C.09, subd. 3*  
*Effective May 31, 2017*

Creates disqualification basis for child care staff who knowingly make a materially false statement in connection with a background study.

**XXX. CHILD CARE BACKGROUND STUDIES – BACKGROUND STUDY COSTS**

*First Special Session, Chapter 6, Article 16, Sections 31 and 32*  
*Omnibus Health and Human Services Budget Bill*  
*Amends Minn. Stat. § 245C.10, subd. 9*  
*Adds Minn. Stat. § 245C.10, subd. 9a*  
*Effective May 31, 2017 (Day Following Enactment, Section 31); July 1, 2017 (Section 32)*

Exempts family child care, child care centers, certified license-exempt child care centers and legal nonlicensed child care providers authorized under Minnesota Statutes Chapter 119B (child care assistance) from the $20 background study recovery fee effective May 31, 2017 – and then makes those providers subject to a recovery fee not to exceed $40 per study, charged to the license holder, effective July 1, 2017.

**XXXI. CHILD CARE BACKGROUND STUDIES – PROBATION/PAROLE REPORTING**

*First Special Session, Chapter 6, Article 16, Section 26 (SF 2)*  
*Omnibus Health and Human Services Budget Bill*  
*Amends Minn. Stat. § 245C.05, subd. 7*  
*Effective May 31, 2017*

Exempts probation and parole officers from existing requirement to notify DHS of an individual’s conviction if the person’s background study was conducted under NETStudy 2.0.

*Note: This provision is effective May 31, 2017, but practically applies only to studies done on or after implementation of NETStudy 2.0.*
XXXII. CHILD CARE BACKGROUND STUDIES – DISQUALIFYING OFFENSES  
First Special Session, Chapter 6, Article 16, Section 34 (SF 2)  
Omnibus Health and Human Services Budget Bill  
Amends Minn. Stat. § 245C.15, subd. 1  
Effective October 1, 2017  

Adds federally-required convictions to permanently disqualify child care staff based upon:  
• A conviction that requires registry on a state sex offender registry/repository or the National Sex Offender Registry*;  
• A felony conviction for:  
  o murder, as described in 18 U.S.C. § 1111;  
  o child abuse or neglect;  
  o a crime against children, including child pornography;  
  o spousal abuse;  
  o a crime involving rape or sexual assault;  
  o kidnapping;  
  o arson;  
  o physical assault or battery; or  
  o subject to 42 U.S.C. § 9858 (e)(4), a drug-related offense committed during the preceding 5 years; or  
• A “violent misdemeanor” conviction committed as an adult against a child, including the following crimes: child abuse, child endangerment, sexual assault, or;  
• A misdemeanor involving child pornography.  

See 42 U.S.C. § 9858F. *Disqualification for a conviction that requires registry on a state sex offender registry/repository or the National Sex Offender Registry is for the period of the person’s registry.  
These convictions apply a permanent bar whether or not a shorter period of disqualification under state law (See Minn. Stat. § 245C.15, subds. 2-4) would apply if the person was not a child care staff person.

XXXIII. CHILD CARE BACKGROUND STUDIES – IMMEDIATE HARM  
First Special Session, Chapter 6, Article 16, Section 35 (SF 2)  
Omnibus Health and Human Services Budget Bill  
Amends Minn. Stat. § 245C.16, subd. 1  
Effective October 1, 2017  

Adds felony convictions in the past five years for a drug-related offense to the list of offenses that permit DHS to determine immediate harm and immediate removal from any position with direct contact or access to persons receiving program services.
XXXIV. CHILD CARE BACKGROUND STUDIES – VARIANCE AND SET ASIDE DATA CLASSIFICATION
First Special Session, Chapter 6, Article 16, Section 39 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245C.22, subd. 7
Effective October 1, 2017

Creates exception from general public data classification for the identity and disqualifying characteristics for a felony drug-related conviction in the past five years for (1) a person receiving a set aside in a child care setting; or (2) a license holder who receives a variance. This adds the drug convictions, but also expands the exception from making the information public data to all child care providers, instead of the current limitation to only child care centers or licensed family child care providers.

XXXV. CHILD CARE BACKGROUND STUDIES – NOTIFICATION ON REASON FOR DISQUALIFICATION
First Special Session, Chapter 6, Article 16, Sections 40 and 42 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. §§ 245C.23; and 245C.30, subd. 2
Effective October 1, 2017

A. Commissioner’s Reconsideration Notice
Creates new notification requirement when a set aside following background study for:
- Felony-level conviction for a drug-related offense in the last five years; and
- The background study is related to a
  - licensed child care center;
  - certified license-exempt child care center;
  - family child care license holder; or
  - legal nonlicensed provider; and
  - the provider is part of the child care assistance program (Minnesota Statutes Chapter 119B).

Requires DHS to provide notice to the applicant, license holder, or legal nonlicensed child care provider that the disqualifying criminal record is not public.

Adds family child care or legal nonlicensed child care settings where, after reconsideration, the set aside is not granted, to existing settings that require DHS to notify the county that initiated the study.
Amends Minn. Stat. §§ 245C.23

B. Disclosure of Reason for Disqualification
Prohibits DHS from disclosing the reason for disqualification if:
- A variance is granted;
- The disqualification is for a felony-level drug conviction for a drug-related offense within the past five years; and
• The background study is related to family child care, foster care provided in the provider’s own home, foster care day services for adults provided in the provider’s own home.

Amends Minn. Stat. § 245C.30, subdivision 2

XXXVI. CHILD CARE BACKGROUND STUDIES – CONSOLIDATED HEARINGS FOR MALTREATMENT AND DISQUALIFICATION
First Special Session, Chapter 6, Article 16, Section 41 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245C.25
Effective October 1, 2017

Deletes provisions related to county-based consolidated reconsideration hearings for maltreatment and disqualification, including provision where counties previously conducted maltreatment determination and disqualification for serious or recurring maltreatment.

As a result, the only remaining provision requires consolidated hearings by DHS for:
• serious or recurring maltreatment for children or vulnerable adults;
• reconsideration of the maltreatment determination is administrative (See Minn. Stat. § 626.556, subd. 10i and Minn. Stat. § 626.557, subd. 9d); and
• reconsideration of a disqualifying offense (See Minn. Stat. § 245C.21)

XXXVII. CERTIFIED LICENSE-EXEMPT CHILD CARE CENTER – RECODIFICATION
First Special Session, Chapter 6, Article 16, Sections 43-68 (SF 2)
Amends Minn. Stat. § 626.556, subds. 4, 10d, 10e, 10f, and 10i
Adds Minnesota Statutes, Chapter 245H
Effective August 1, 2017

Creates new chapter of law related to license-exempt child care centers, defined as centers who have DHS authorization for exemption from licensing (See Minn. Stat. §245A.03, subd. 2, paragraph (a), clauses 5, 11-13, 15, 18 or 26, and receives child care assistance payments.

Creates bases for application for certification, DHS access to location and records, background studies and appeals, staffing, fees, health and safety requirements, and training.

Amends Maltreatment of Minors Act (Minn. Stat. § 626.556) so that it extends to certified license-exempt child care centers under this new statutory chapter.

Note: This session law includes language with statutory references to Minnesota Statutes, Chapter 245G. However, in Article 16, Section 68, the Revisor is instructed to renumber all of those provisions to Chapter 245H.
I. PROPERTY ASSESSED CLEAN ENERGY (PACE) LOANS

Regular Session, Chapter 94, Article 10, Sections 23 and 27 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Adds Minn. Stat. § 216C.435, subd. 7a
Uncodified Section
Effective May 31, 2017

Note: PACE loans are unregulated loans, provided by a private, for-profit energy services company and marketed through a network of affiliated heating and cooling, window, renewable energy, and other energy efficiency and improvement contractors, the proceeds for which are derived in part from the sale of municipal bonds secured through a property tax assessment. The loans—which can be for up to 20 years and because they are tax liens, they take “superpriority” over all other encumbrances, including mortgages—are not subject to any of the state or federal laws that protect any other type of loan.

This program was authorized in 2010 and both commercial and residential properties are eligible. To date, only a Commercial PACE program has moved forward. A robust Residential PACE program has moved forward, most prominently in California, but also in other states. Multiple class action lawsuits alleging deceptive trade and marketing practices and overcharges have been filed and some municipalities are disengaging from the program. Since the encumbrance runs with the land, not the borrower, Realtors in California especially report homeowners are having difficulty selling homes because of the large tax liens attached to the properties.

A. Suspension of Residential PACE
Suspends the statutory authority to offer Residential PACE loans until legislation is enacted establishing consumer protections that address, but are not limited to, a series of enumerated concerns.

B. Establishment of Residential PACE Consumer Protection Legislation Task Force

1. Creation
Establishes a Residential PACE Consumer Protection Legislation Task Force—to be chaired and convened by the Minnesota Department of Commerce—to develop recommendations for consumer protection legislation Residential PACE lending. Limits applicability to single-family residential dwellings, which includes dwellings of less than five units. Adds Minn. Stat. § 216C.435, subd. 7a (defining “multifamily residential dwellings to mean “a residential dwelling containing five or more units intended for use as a residence by tenants or lessees of the owner””)
2. **Membership**
Names 16 members of the task force, including the Legal Services Advocacy Project and: (1) other consumer advocacy groups; (2) Center for Energy and Environment; (3) the Minnesota Bankers Association and the Minnesota Credit Union Association; (4) the Minnesota Association of Realtors; (5) environmental groups; (6) municipal and state government representatives; and (7) a for-profit lender/energy services company with expertise in marketing and implementing Residential PACE.

3. **Duties**
Requires the Task Force to develop recommendations to: (1) address concerns regarding constraints on sales of homes caused by the existence and amount of the PACE liens; (2) reduce and minimize any point-of-sale confusion in transactions involving PACE-encumbered homes; (3) ensure conspicuous and meaningful disclosure of, among other things: (i) all costs and fees of a residential PACE loan; and (ii) the risks, such as foreclosure and higher costs, that may be associated with residential PACE loans relative to other financing mechanisms; (4) ensure that the ability to repay standard uses commonly accepted underwriting principles; (5) ensure that consumer provisions required of and protections that apply to conventional loans and other financing options, including but not limited to the Truth in Lending Act and the Real Estate Settlement Procedures Act, are required of and apply to PACE financing; (6) address any unique protections necessary for elderly, low-income homeowners and other financially vulnerable homeowners; (7) establish criteria to ensure the cost-effectiveness of PACE-enabled clean energy improvements; and (8) address any other issues the task force identifies that are necessary to protect consumers.

4. **Report**
Requires the Department of Commerce to submit a report to the Legislature, by January 15, 2018: (1) detailing the task force's findings and recommendations; and (2) including any draft legislation necessary to implement the recommendations of the task force.
II. PRIVATE VETERANS APPEALS SERVICE PROVIDERS – REQUIRED DISCLOSURE OF
AVAILABILITY OF FREE SERVICES FROM COUNTY VETERANS SERVICE OFFERS

First Special Session, Chapter 4, Article 4, Section 5 (SF 1)
Omnibus State Government Finance Bill
Adds Minn. Stat. § 197.6091
Effective July 1, 2017

A. Key Definitions

1. “Veterans Benefits Appeal Services”
   Defined as “services that a veteran might reasonably require in order to
   appeal a denial of federal or state veteran’s benefits, including but not
   limited to denials of disability, limited income, home loan, insurance,
   education and training, burial and memorial, and dependent and survivor
   benefits.”
   Adds Minn. Stat. § 197.6091, subd. 1(c)

2. "Veterans Benefits Services"
   Defined as “services that a veteran or a family member of a veteran
   might reasonably use in order to obtain federal, state, or county veterans
   benefits.”
   Adds Minn. Stat. § 197.6091, subd. 1(d)

3. “Written Disclosure Statement”
   Defined to mean the written disclosure statement developed by the
   Department of Veterans Affairs.
   Adds Minn. Stat. § 197.6091, subd. 1(e)

B. Disclosure of Free County Veterans Services Officer Services Required

1. In Advertisements
   Requires a person advertising veterans benefits appeal services to
   “conspicuously disclose in the advertisement. . .that veterans benefits
   appeal services are also offered at no cost by county veterans service
   officers.”
   Adds Minn. Stat. § 197.6091, subd. 2

2. Prior to Execution of Agreement for Services
   Requires a person “who provides veterans benefits services in exchange
   for compensation” to, prior to executing a contract for services to: (1)
   provide the written disclosure statement to each client or prospective
   client; and (2) “obtain the signature of the client on a written disclosure
   statement containing an attestation by the client that the client has read
   and understands the written disclosure statement.”
   Adds Minn. Stat. § 197.6091, subd. 2
C. Public Enforcement

1. **Court Assessment of Civil Penalty**
   Subjects a violator to a maximum civil penalty of $1,000 for each violation. Requires assessment of the penalty solely by a District Court and solely through an action initiated by the Attorney General. Provides that each day of continuing violation constitutes a separate violation.
   Adds Minn. Stat. § 197.6091, subd. 4

2. **Civil Penalty Determined by Settlement of Investigation**
   Allows the Attorney General – regardless of whether an action has been filed – to accept a civil penalty as determined by the Attorney General in settlement of an investigation.
   Adds Minn. Stat. § 197.6091, subd. 4

D. Exemptions
   Exempts the owner or personnel of the medium in which the advertisement appears or through which the advertisement is disseminated.
   Adds Minn. Stat. § 197.6091, subd. 5

III. PAWNBROKERS – FAILURE TO REDEEM PLEDGED GOODS

Regular Session, Chapter 94, Article 8, Section 11 (SF 1456)
Amends Minn. Stat. § 325J.06
Effective August 1, 2017

Clarifies that a new 60-day hold period is not triggered by a renewal or an extension of a pawn transaction within that period.

IV. APPROPRIATION

Regular Session, Chapter 94, Article 1, Section 7 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Appropriations Section
Effective July 1, 2017

Appropriates $200,000 in Fiscal Year 2018 to the Department of Commerce create and execute a statewide education and outreach campaign to protect persons 60 years of age or older, vulnerable adults, and their caregivers from financial fraud and exploitation. Requires a report by January 15, 2018 to the providing: (1) the results of the campaign; and (2) recommendations for supporting ongoing efforts to prevent financial fraud from occurring to, and the financial exploitation of, seniors, vulnerable adults, and their caregivers.
I. COURT FILING FEE REDUCTIONS

Regular Session, Chapter 95, Article 4, Section 1 (SF 803)
Omnibus Public Safety Bill
Amends Minn. Stat. §357.021, subd. 2
Effective July 1, 2017

Reduces the following court filing fees:

- Civil filing fee from $310 to $285;
- Marriage Dissolution filing fee from $340 to $315;
- Civil Motion fee from $100 to $75 (excluding child support); and
- Child Support Motion fee from $100 to $50.

II. NOTARIZATION EXEMPTION – E-FILING

Regular Session, Chapter 95, Article 2, Section 8 (HF 2431)
Public Safety Omnibus Bill
Amends Minn. Stat. §358.116
Effective July 1, 2017

Expands exemption from notarization to include pleadings, motions, affidavits or other documents in support of an order, warrant or request for other relief to a judge or judicial officer.

III. APPEAL OF REFEREE ORDERS/DECREES IN PROBATE OR CIVIL COMMITMENT COURT MATTERS

Regular Session, Chapter 95, Article 2, Section 10 (HF 470)
Omnibus Judiciary and Public Safety Finance and Policy Bill
Amends Minn. Stat. § 484.70, subd. 7
Effective August 1, 2017

Provides that appellants must appeal referee orders and decrees in probate or civil commitment court directly to the Minnesota Court of Appeals, in the same manner as judicial orders and decrees.
I. CHILD AND ADULT FOSTER CARE

Laws 2017, Regular Session, Chapter 90 (SF 359), Sections 2-9

Amends Minn. Stat. §§ 245C.03, subd. 1; 245C.04, subd. 1; 245C.05, subd. 2a; 245C.10, subd. 9; 245C.17, subds. 5 and 6; 245C.21, subd. 1a; and 245C.23, subd. 2

Effective May 31, 2017 (day following enactment)

Modifies requirements and applicability of background study provisions as follows:

- Limits short-term alternate caregiver exemption from background study to child foster care settings where the license holder resides in the home where foster care is provided.  
  *Section 2; Amends Minn. Stat. § 245C.03, subd. 1*

- Requires existing child foster care background study information collection required under existing law (See Minn. Stat. § 245C.05, subds. 1 and 5) to be forwarded by the county or private agency when the license holder or applicant resides in the home where child foster care will be provided. In all cases where the applicant or license holder does not live in the home, this information must be collected and forwarded by the applicant or license holder.  
  *Sections 3 and 4; Amends Minn. Stat. §§ 245C.04, subd. 1 and 245C.05, subd. 2a*

- Aligns background study results notices to these limitations – counties and private agencies will only be notified of background study results for studies they initiated, which are now limited to applicants and license holders for child or adult foster care who reside in the home where the foster care will be provided.  
  *Sections 6 and 7; Amends Minn. Stat. § 245C.17, subds. 5 and 6*

- Limits background study fee waiver for child foster care to cases where the applicant or license holder lives in the home where foster care will be provided. In all other cases, DHS can seek reimbursement for the background study fee.  
  *Section 5; Amends Minn. Stat. § 245C.10, subd. 9*

- Directs reconsideration of background studies to the county agency that initiated the study only when the applicant or license holder resides in the home where child foster care, adult foster care, or family adult day services will be provided.  
  *Section 8; Amends Minn. Stat. § 245C.21, subd. 1a*

- Aligns notification of reconsideration results to the county agency or private agency that initiated the study only in cases where the applicant or license holder resides in the home where child foster care, adult day care or family adult day services will be provided.  
  *Section 9; Amends Minn. Stat. § 245C.23, subd. 2*
II. MALTREATMENT AT JUVENILE CORRECTIONAL FACILITIES
Laws 2017, First Special Session, Chapter 6, Article 9, Section 11 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 626.556, subd. 3c
Effective July 1, 2017

Shifts responsibility for assessing and investigating maltreatment allegations in juvenile correctional facilities from the county agency to the Department of Human Services.

III. CHILD CARE LICENSING – MALTREATMENT AND FINES
Laws 2017, First Special Session, Chapter 6, Article 9, Section 8 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.07, subd. 3
Effective August 1, 2017

Establishes $5,000.00 fine for a license holder responsible for a determination of serious maltreatment.

Limits fine to $1,000 per determination of maltreatment for license holders who operate a children family day care or group family day care (See Minn. Rules, parts 9502.0300 to 9502.0495) out of the license holder’s home.

IV. CHILD CARE BACKGROUND STUDIES – APPLICABILITY
Laws 2017, First Special Session, Chapter 6, Article 16, Sections 19, 20, 23, 24 and 36 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. §§ 245C.03, subd. 1, 245C.05, subd 2b and 4, and 245C.17, subd. 6
Adds Minn. Stat. § 245C.03, subd. 6a
Effective October 1, 2017 (Section 20); and October 1, 2017 or when DHS implements NETStudy 2.0, whichever is later (Section 19); Implementation of NETStudy 2.0 (Sections 23, 24 and 36)

Requires DHS to conduct background studies for legal nonlicensed child care and certified license-exempt child care centers. (Section 20, effective October 1, 2017)
Requires DHS to conduct a background study on:
- Controlling individual of a licensed child care (Defined at Minn. Stat. § 245A.02, subd. 5a);
- Child care Staff (Defined at Minn. Stat. § 245C.02, subd. 6a);
- Legal non-licensed child care and certified license-exempt centers background studies must include:
  - Individuals over at 12 who are living in the household; and
  - Individuals who don’t have direct contact with children, but may have unsupervised access to children.

(Section 19, effective October 1, 2017 or when DHS implements NETStudy 2.0, whichever is later.

*Note: It appears possible (even likely) that the background studies for legal nonlicensed and license-exempt centers will happen on October 1, but the provision for people over 12 or with unsupervised access will be effective later.*

Requires counties to collect information for these background studies and electronically forward them to DHS. *(Sections 23 and 24; Effective at implementation of NETStudy 2.0)*

Requires DHS, upon implementation of NETStudy 2.0, to notify the initiated the county that initiated the study of the results of background studies for licensed family child care and legal nonlicensed child care authorized under Minnesota Statutes, Chapter 119B. *(Section 36)*

*Note: Technically, the bill makes these sections effective the day following enactment, which is May 31, 2017. However, the bill’s language makes it practically effective upon the implementation of NETStudy 2.0.*

**V. CHILD CARE BACKGROUND STUDIES – TIMING AND REQUIREMENTS**

*Laws 2017, First Special Session, Chapter 6, Article 16, Sections 21 and 27 (SF 2)*

*Omnibus Health and Human Services Budget Bill*

*Amends Minn. Stat. §§ 245C.04, subd. 1 and 245C.08, subd. 1*

*Effective October 1, 2017*

Effectively moves background studies for family child care, certified license-exempt child care, and legal nonlicensed child care to DHS. Extends background study requirements to child care staff (as defined at Minn. Stat. §245C.02, subd. 6a) of a family child care program, licensed child care center, certified license-exempt child care center, or legal nonlicensed provider.

Requires background studies to include fingerprints for a national criminal history record check, search of by name and date of birth search of the National Sex Offender Public Web Site, in additional to and all other background study requirements under the existing general background study provisions. *(See Minn. Stat. § 245C.08)* Permits DHS to set the schedule for timing of these background studies.
Requires the following from individuals at licensed family child care license reapplication:
- First, middle and last name, and any other names by which the individual has been known;
- Current home address, city, state and zip code of residence;
- Sex;
- Date of birth;
- Driver’s license or State Identification Number;
- Home address, city, county and state of residence for the past 5 years;
- Photograph and fingerprints, as set forth in Minn. Stat. § 245C.05, subd. 5.

Requires counties at licensed family child care reapplication, to verify the information and electronically forward it to DHS.

Requires DHS to consider this information and all other existing general background study information. (See Minn. Stat. § 245C.08)

Requires DHS background study on a person newly affiliated with a licensed family child care provider or legal nonlicensed child care provider.

Clarifies that repeat background study is not required of a family child care provider’s substitute care giver if the substitute care giver’s background study was completed on or after October 1, 2017 and the substitute care giver is on the provider’s active roster under NETStudy 2.0.

Exempts before and after school child care programs from background studies for schools (See Minn. Stat. § 123B.03) or an employee who has a completed background study under Minnesota Statutes, Chapter 245C.

VI. CHILD CARE BACKGROUND STUDIES – FALSE STATEMENTS

Laws 2017, First Special Session, Chapter 6, Article 16, Section 30 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 245C.09, subd. 3
Effective May 31, 2017

Creates disqualification basis for child care staff who knowingly make a materially false statement in connection with a background study.
VII. **CHILD CARE BACKGROUND STUDIES – BACKGROUND STUDY COSTS**

*Laws 2017, First Special Session, Chapter 6, Article 16, Sections 31 and 32*

*Omnibus Health and Human Services Budget Bill*

*Amends Minn. Stat. § 245C.10, subd. 9*

*Adds Minn. Stat. § 245C.10, subd. 9a*

*Effective May 31, 2017 (Day Following Enactment, Section 31); July 1, 2017 (Section 32)*

Exempts family child care, child care centers, certified license-exempt child care centers and legal nonlicensed child care providers authorized under Minnesota Statutes Chapter 119B (child care assistance) from the $20 background study recovery fee effective May 31, 2017 – and then makes those providers subject to a recovery fee not to exceed $40 per study, charged to the license holder, effective July 1, 2017.

VIII. **CHILD CARE BACKGROUND STUDIES – PROBATION/PAROLE REPORTING**

*Laws 2017, First Special Session, Chapter 6, Article 16, Section 26 (SF 2)*

*Omnibus Health and Human Services Budget Bill*

*Amends Minn. Stat. § 245C.05, subd. 7*

*Effective May 31, 2017*

Exempts probation and parole officers from existing requirement to notify DHS of an individual’s conviction if the person’s background study was conducted under NETStudy 2.0.

*Note: This provision is effective May 31, 2017, but practically applies only to studies done on or after implementation of NETStudy 2.0.*

IX. **CHILD CARE BACKGROUND STUDIES – DISQUALIFYING OFFENSES**

*Laws 2017, First Special Session, Chapter 6, Article 16, Section 34 (SF 2)*

*Omnibus Health and Human Services Budget Bill*

*Amends Minn. Stat. § 245C.15, subd. 1*

*Effective October 1, 2017*

Adds federally-required convictions to permanently disqualify child care staff based upon:

- A conviction that requires registry on a state sex offender registry/repository or the National Sex Offender Registry*;
• A felony conviction for:
  o murder, as described in 18 U.S.C. § 1111;
  o child abuse or neglect;
  o a crime against children, including child pornography;
  o spousal abuse;
  o a crime involving rape or sexual assault;
  o kidnapping;
  o arson;
  o physical assault or battery; or
  o subject to 42 U.S.C. § 9858 (e)(4), a drug-related offense committed during the preceding 5 years; or
• A “violent misdemeanor” conviction committed as an adult against a child, including the following crimes: child abuse, child endangerment, sexual assault, or;
• A misdemeanor involving child pornography.

See 42 U.S.C. § 9858F. *Disqualification for a conviction that requires registry on a state sex offender registry/repository or the National Sex Offender Registry is for the period of the person’s registry. These convictions apply a permanent bar whether or not a shorter period of disqualification under state law (See Minn. Stat. § 245C.15, subds. 2-4) would apply if the person was not a child care staff person.

X. CHILD CARE BACKGROUND STUDIES – IMMEDIATE HARM
Laws 2017, First Special Session, Chapter 6, Article 16, Section 35 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245C.16, subd. 1
Effective October 1, 2017

Adds felony convictions in the past five years for a drug-related offense to the list of offenses that permit DHS to determine immediate harm and immediate removal from any position with direct contact or access to persons receiving program services.
XI.  CHILD CARE BACKGROUND STUDIES – VARIANCE AND SET ASIDE DATA CLASSIFICATION

Laws 2017, First Special Session, Chapter 6, Article 16, Section 39 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245C.22, subd. 7

Effective October 1, 2017

Creates exception from general public data classification for the identity and disqualifying characteristics for a felony drug-related conviction in the past five years for (1) a person receiving a set aside in a child care setting; or (2) a license holder who receives a variance. This adds the drug convictions, but also expands the exception from making the information public data to all child care providers, instead of the current limitation to only child care centers or licensed family child care providers.

XII.  CHILD CARE BACKGROUND STUDIES – NOTIFICATION ON REASON FOR DISQUALIFICATION

Laws 2017, First Special Session, Chapter 6, Article 16, Sections 40 and 42 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. §§ 245C.23 and 245C.30, subd. 2

Effective October 1, 2017

Creates new notification requirement when a set aside following background study for:
- Felony-level conviction for a drug-related offense in the last five years; and
- The background study is related to a
  - licensed child care center;
  - certified license-exempt child care center;
  - family child care license holder; or
  - legal nonlicensed provider; and
  - the provider is part of the child care assistance program (Minnesota Statutes Chapter 119B).

Requires DHS to provide notice to the applicant, license holder, or legal nonlicensed child care provider that the disqualifying criminal record is not public.

Adds family child care or legal nonlicensed child care settings where, after reconsideration, the set aside is not granted, to existing settings that require DHS to notify the county that initiated the study.

Section 40, Effective October 1, 2017
Prohibits DHS from disclosing the reason for disqualification if:

- A variance is granted;
- The disqualification is for a felony-level drug conviction for a drug-related offense within the past five years; and
- The background study is related to family child care, foster care provided in the provider’s own home, foster care day services for adults provided in the provider’s own home.

Section 42, Effective October 1, 2017

XIII. CHILD CARE BACKGROUND STUDIES – CONSOLIDATED HEARINGS FOR MALTREATMENT AND DISQUALIFICATION

Laws 2017, First Special Session, Chapter 6, Article 16, Section 41 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245C.25
Effective October 1, 2017

Deletes provisions related to county-based consolidated reconsideration hearings for maltreatment and disqualification, including provision where counties previously conducted maltreatment determination and disqualification for serious or recurring maltreatment.

As a result, the only remaining provision requires consolidated hearings by DHS for:

- serious or recurring maltreatment for children or vulnerable adults;
- reconsideration of the maltreatment determination is administrative (See Minn. Stat. § 626.556, subd. 10i and Minn. Stat. § 626.557, subd. 9d); and
- reconsideration of a disqualifying offense (See Minn. Stat. § 245C.21)

XIV. CERTIFIED LICENSE-EXEMPT CHILD CARE CENTER – RECODIFICATION

Laws 2016, First Special Session, Chapter 6, Article 16, Sections 43-68 (SF 2)
Amends Minn. Stat. § 626.556, subds. 4, 10d, 10e, 10f, and 10i
Creates Minnesota Statutes, Chapter 245H
Effective August 1, 2017

Creates new chapter of law related to license-exempt child care centers, defined as centers who have DHS authorization for exemption from licensing (See Minn. Stat. § 245A.03, subd. 2, paragraph (a), clauses 5, 11-13, 15, 18 or 26, and receives child care assistance payments.

Creates bases for application for certification, DHS access to location and records, background studies and appeals, staffing, fees, health and safety requirements, and training.

Amends Maltreatment of Minors Act (Minn. Stat. § 626.556) so that it extends to certified license-exempt child care centers under this new statutory chapter.

Note: This session law includes language with statutory references to Minnesota Statutes, Chapter 245G. However, in Article 16, Section 68, the Revisor is instructed to renumber all of those provisions to Chapter 245H.
XV. CHILD CARE PROVIDER TRAINING - RELATIVE
Laws 2017, First Special Session, Chapter 6, Article 7, Section 24 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.50, subd. 5
Effective July 1, 2017

Exempts relatives who are (1) only caring for the license holder’s own child, who is under school age; and (2) is not designated as a caregiver, helper or substitute, is exempt from training requirements for Sudden Unexplained Infant Death and Abusive Head Trauma.

XVI. CHILD CARE LICENSING – CHANGES IN LAW, STATUTES, RULES AND POLICY
Laws 2017, First Special Session, Chapter 6, Article 9, Section 9 (SF 2)
Omnibus Health and Human Services Budget Bill
Creates Minn. Stat. § 245A.1434
Effective July 1, 2017

Requires DHS to timely inform family child care and child care center providers of changes to:
• State and federal statute, rule, regulation and policy related to providing licensed child care;
• Child Care Assistance Program under Minn. Stat. Chapter 119B;
• Quality Rating and Improvement System under Minn. Stat. § 124D.142;
• Child care licensing functions delegated to counties.

Communications must include information for license holder compliance with any changes, and may be communicated to providers electronically.
Requires DHS to make these communications available to the public online.
XVII. CHILD CARE LICENSING – INSPECTION EXIT INTERVIEW
Laws 2017, First Special Session, Chapter 6, Article 9, Section 3 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.04, subd. 4
Effective October 1, 2017

Requires licensing agency, before completing inspection at a child care center or licensed family child care, to offer an exit interview to discuss (1) observed violations or law or rule; and (2) technical assistance on how to comply.

Clarifies that this provision does not prohibit a correction order or other negative actions for violations that were not discussed during the exit interview, or if the provider chooses not to participate in the exit interview.

XVIII. CHILD CARE LICENSING – FIX IT TICKET
Laws 2017, First Special Session, Chapter 6, Article 9, Section 7 (SF 2)
Omnibus Health and Human Services Budget Bill
Creates Minn. Stat. § 245A.065
Effective October 1, 2017

Requires DHS, in consultation with stakeholders, to report on a list of violations of Chapter 245A and Minnesota Rules, Chapter 9502 and Chapter 9503, that are eligible for a fix-it ticket.

Requires issuance of a fix-it ticket in lieu of a correction order if:
- The provider violates a provision determined to be eligible for a fix-it ticket in lieu of a correction order;
- The violation doesn’t immediately endanger the health, safety or rights of persons served by the program;
- The provider didn’t receive a fix-it ticket or corrective order for the violation at the provider’s last inspection;
- The violation can be corrected at inspection or within 48 hours of inspection (excluding Saturdays, Sundays and holidays); and
- The license holder fixes the violation at inspection or agrees to fix it within 48 hours of inspection (excluding Saturdays, Sundays and holidays).

Requires the fix-it ticket to state:
- The conditions that violate the law or rule;
- Specific law or rule violated; and
- That the violation was corrected at the time of inspection, or must be corrected within 48 hours, not including Saturdays, Sundays or holidays.
Requires provider, within 48 hours of receiving the fix-it ticket (excluding Saturdays, Sundays and holidays) to correct the violation, and within one week provide evidence that the violation was corrected to the licensing agency. If the violation isn’t fixed or evidence submitted within these timelines, a correction order must be issued. Prohibits DHS from publicly posting any fix-it ticket on the DHS website.

XIX. CHILD CARE LICENSING – RECONSIDERATION OF CORRECTION ORDERS IN ERROR
Laws 2017, First Special Session, Chapter 6, Article 9, Section 4 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.06, subd. 2
Effective July 1, 2017

Permits licensed family child care providers (and only licensed family child care providers) to request expedited review of a correction order that provider believes are in error if:
• The provider is challenging a violation and provides a description of how complying with the corrective action will require a substantial expenditure of funds or a significant program change; and
• Describes the actions the provider will take in lieu of the corrective action to ensure the children’s health and safety pending review of the correction order.

Requires DHS to provide a form for expedited review, and requires the provider to use the form to request expedited review.

XX. CHILD CARE LICENSING – CORRECTION ORDER POSTING
Laws 2017, First Special Session, Chapter 6, Article 9, Section 5 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.06, subd. 8
Effective July 1, 2017

Requires DHS to issue an amended correction order if a violation in the original order, after reconsideration, is reversed or rescinded. Requires the provider to post the amended order.

Requires the provider to remove the correction order posting if the order is reversed or rescinded in full after reconsideration.
XXI. CHILD CARE LICENSING - CORRECTION ORDERS POSTING GUIDELINES

Laws 2017, First Special Session, Chapter 6, Article 7, Section 35 (SF 2)
Omnibus Health and Human Services Budget Bill
Uncodified Language
Effective July 1, 2017

Requires Department of Human Services (DHS) to develop guidelines for posting public licensing data for licensed child care providers. Requires DHS to work with stakeholders in developing the guidelines, which must be completed by November 1, 2017.

XXII. CHILD CARE LICENSING - ANNUAL TRAINING

Laws 2017, First Special Session, Chapter 6, Article 9, Sections 1 and 2 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 245A.02, subd. 2b
Adds Minn. Stat. § 245A.02, subd. 2c
Effective July 1, 2017

Redefines “annual” or “annually” for purposes of child care training requirements to mean the 12-month period beginning on the license effective date or annual anniversary of the effective date, and ending the day prior to the annual anniversary of the license effective date.

Note: This definition applies only to training. Other annual requirements remain under current law’s definition, which is the same month of the subsequent calendar year.

XXIII. CHILD CARE LICENSING – QUOTAS

Laws 2017, First Special Session, Chapter 6, Article 9, Section 6 (SF 2)
Omnibus Health and Human Services Budget Bill
Adds Minn. Stat. § 245A.06, subd. 9
Effective July 1, 2017

Prohibits DHS or any county licensing agency from ordering, mandating, requiring or suggesting a quota of correction orders to any person responsible for licensing or inspection of a child care center or license family child care or an annual, quarterly, monthly, weekly or daily basis.
XXIV. REPORT TO LEGISLATURE – STATUS OF CHILD CARE

Laws 2017, First Special Session, Chapter 6, Article 9, Section 10 (SF 2)
Omnibus Health and Human Services Budget Bill
Creates Minn. Stat. § 245A.153
Effective July 1, 2017; Sunsets February 2, 2020

Requires DHS to report annually, beginning February 1, 2018 and ending February 1, 2020, on the status of child care in Minnesota.

Requires the report to include:
1. Summary data on trends in child care center and family child care capacity and availability throughout the state, including the number of centers and programs that have opened and closed and the geographic locations of those centers and programs;
2. Description of any changes to statutes, administrative rules, or agency policies and procedures that were implemented in the year preceding the report;
3. Description of the actions the department has taken to address or implement the recommendations from the Legislative Task Force on Access to Affordable Child Care Report dated January 15, 2017, including but not limited to actions taken in the areas of:
   a. encouraging uniformity in implementing and interpreting statutes, administrative rules, and agency policies and procedures relating to child care licensing and access;
   b. improving communication with county licensors and child care providers regarding changes to statutes, administrative rules, and agency policies and procedures, ensuring that information is directly and regularly transmitted;
   c. providing notice to child care providers before issuing correction orders or negative actions relating to recent changes to statutes, administrative rules, and agency policies and procedures;
   d. implementing confidential, anonymous communication processes for child care providers to ask questions and receive prompt, clear answers from the department;
   e. streamlining processes to reduce duplication or overlap in paperwork and training requirements for child care providers; and
   f. compiling and distributing information detailing trends in the violations for which correction orders and negative actions are issued;
4. Description of the department’s efforts to cooperate with counties while addressing and implementing the task force recommendations;
5. Summary data on child care assistance programs including but not limited to state funding and numbers of families served; and
6. Summary data on family child care correction orders, including:
   a. the number of licensed family child care provider appeals or requests for reconsideration of correction orders to the Department of Human Services;
   b. the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services grants; and
   c. the number of family child care correction order appeals or requests for reconsideration that the Department of Human Services denies.

Permits DHS, as part of the report, to include recommendations for legislative action.
I. CUSTODY - DOMESTIC ASSAULT BY STRANGULATION

Regular Session, Chapter 95, Article 2, Sections 14 and 17 (HF 1654)
Omnibus Public Safety Bill
Amends Minn. Stat. §§ 518.179, subd. 2 and 631.52, subd. 2
Effective July 1, 2017

Adds convictions for felony domestic assault by strangulation (See Minn. Stat. § 609.2247) for the list of crimes that (1) requires the criminal court to refer a case upon conviction to family court, if a family court file exists and a custody motion is not already pending; and (2) presumes parenting time is suspended, and shifts the burden for parenting time to the parent convicted of the crime.

II. COURT FILING FEE REDUCTIONS

Regular Session, Chapter 95, Article 4, Section 1 (SF 803)
Omnibus Public Safety Bill
Amends Minn. Stat. § 357.021, subd. 2
Effective July 1, 2017

Reduces the following court filing fees:
- Civil filing fee from $310 to $285;
- Marriage Dissolution filing fee from $340 to $315;
- Civil Motion fee from $100 to $75 (excluding child support); and
- Child Support Motion fee from $100 to $50.
III. HARASSMENT RESTRAINING ORDER (HRO) – SERVICE AND SHORT FORM NOTIFICATION

Regular Session, Chapter 95, Article 3, Sections 20-24 (HF 1148)

Omnibus Public Safety Bill
Amends Minn. Stat. § 609.748, subs. 3, 3a and 5
Adds Minn. Stat. § 609.748, subs. 5a and 5b
Effective July 1, 2017 – Except Short Form Notification provisions, which are effective 30 days after the Bureau of Criminal Apprehension posts notice that HRO data can be transmitted from the Judicial Branch to law enforcement.

A. Service of Orders
   Expands authority to serve harassment restraining orders from only county sheriff to any peace officer. Expands service of a temporary or permanent restraining order to peace officers and corrections officers, which includes probation officers, court services officers, parole officers, and employees of jails or correctional facilities.

   Expands existing fee waiver for service of harassment restraining orders from the county sheriff to any peace officer in Minnesota.

B. Short Form Notification
   Creates short form notification, which may be served in lieu of a harassment restraining order. The short form must include
   • Respondent’s name;
   • Respondent’s date of birth, if known;
   • Petitioner’s name;
   • Names of other protected parties;
   • Date and county in which the temporary HRO or HRO was filed;
   • Court file number;
   • Hearing date and time, if known;
   • Conditions that apply to Respondent, either as a checklist or handwritten;
   • Name of the Judge who signed the order; and
   • Must include the following short form notice in bold print:
      “The restraining order is now enforceable. You must report to your nearest sheriff’s office or county court to obtain a copy of the restraining order. You are subject to arrest and may be charged with a misdemeanor, gross misdemeanor, or felony if you violate any of the terms of the restraining order or this short-form notification.”

   Permits peace officer, upon verification of both the Respondent’s identity and the existence of an unserved HRO, to detain Respondent for a reasonable amount of time to complete and serve the short form notification.
Service of the short form notification may be made by the affidavit of the peace officer who served the short form notification. Service of short form notifications only may occur at any time, including Sundays and legal holidays.

Requires the Superintendent of the Bureau of Criminal Apprehension to provide law enforcement agencies with the short form.

IV. HARASSMENT RESTRAINING ORDER (HRO) – TEMPORARY ORDER
Regular Session, Chapter 95, Article 2, Section 16 (HF 2431)
Omnibus Public Safety Bill
Amends Minn. Stat. § 609.748, subd. 4
Effective July 1, 2017

Changes deadline for requesting hearing on temporary HRO from within 45 days after the order is issued to within 20 days of completed service of the petition.

V. HARASSMENT RESTRAINING ORDER (HRO) – FILING FEE
Regular Session, Chapter 95, Article 4, Section 2 (SF 803)
Public Safety Omnibus Bill
Amends Minn. Stat. § 609.748, subd. 3a
Effective July 1, 2017

Waives Respondent filing fee if the HRO alleges stalking or criminal sexual conduct. This aligns Respondent filing fee with existing law regarding Petitioner’s filing fee. Eliminates ability for court to order Respondent to pay Petitioner’s filing fees and reasonable costs of service.

VI. HARASSMENT RESTRAINING ORDER (HRO) – DATA SHARING
Regular Session, Chapter 95, Article 3, Section 11 (HF 1148)
Public Safety Omnibus Bill
Amends Minn. Stat. § 299C.46, subd. 6
Effective July 1, 2017

Adds harassment restraining orders to existing law permitting data sharing for orders for protection and no contact orders on the statewide Criminal Justice Data Network.
VII. **COURT REPORTING – EXPEDITED PROCESS**  
*Regular Session, Chapter 95, Article 2, Section 11 (HF 2431)*  
**Omnibus Public Safety Bill**  
*Adds Minn. Stat. § 484.702, subd. 6*  
*Effective July 1, 2017*

Permits an electronic record as the official record of a proceeding in the child support expedited process, if the equipment meets the standards of the state court administrator, and the recording is operated and monitored by a person who meets the minimum qualifications set by the state court administrator.

VIII. **“SEXUAL ASSAULT” FOR PURPOSES OF HIGHER EDUCATION SEXUAL HARASSMENT AND VIOLENCE POLICY DEFINITION**  
*Regular Session, Chapter 89, Article 3, Section 1 (HF 943)*  
**Omnibus Higher Education Finance and Policy Bill**  
*Adds Minn. Stat. § 135A.15, subd. 1a*  
*Effective August 1, 2017*


IX. **CHILD SUPPORT TASK FORCE**  
*First Special Session 2017, Chapter 4, Article 2, Section 48*  
**Omnibus State Government Bill**  
*Adds Minn. Stat. § 518A.79, subd. 3a*  
*Effective January 1, 2018*

Subjects the Child Support Task Force, created by the legislature in the 2016 legislative session, to the Open Meeting Law, Minnesota Statutes Chapter 13D. Clarifies that a meeting occurs when a quorum is present and items are discussed, items received or action taken pursuant to the task force’s duties. Permits meetings throughout Minnesota as long as they are open and accessible to the public.
I. FARMER-LENDER MEDIATION ACT CHANGES AND CONFORMING AMENDMENTS

Regular Session, Chapter 88, Article 2, Sections 76, 78 – 89, and 93 (HF 1545)
Omnibus Agriculture Finance and Policy Bill
Amends Minn. Stat. §§ 336.9-601(h); 550.365, subd. 1; 559.209, subd. 1; 582.039, subd. 1; 583.215; 583.24, subd. 4; 583.26, subds. 2, 3, 3a, 4, and 10; 583.27, subd. 1
Adds 583.24, subd. 5
Repeals 583.22, subd. 7b
Various Effective Dates

Extends the expiration of the Farmer-Lending Mediation Act to June 30, 2022. Raises the threshold amount to qualify for mediation from $5,000 to $15,000. Makes a variety of conforming changes.

A. Extension of Program
Extends the expiration of the Farmer-Lending Mediation Act (Minn. Stat. §§ 583.20 to 583.32) to June 30, 2022 from June 30, 2018. By reference, extends accompanying and affected statutes (Minn. Stat. §§ 336.9-601(h) and (i); 550.365; 559.209; and 582.039.
Amends Minn. Stat. § 583.215
Effective August 1, 2017

B. Applicability to New Credit Extended as a Result of a Mediation
Provides that the Farmer-Lender Mediation Act does not apply to a new line of credit, loan, or other debt extended by a creditor as a result of a mediation conducted pursuant to the Farmer-Lender Mediation Act until two years after the mediation.
Amends Minn. Stat. § 583.24, subd. 4
Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.
C. **Minimum Debt Threshold for Participation Raised**

Raises the minimum eligible debt amount to $15,000. Requires, beginning in 2022 and every five years thereafter, the Department of Agriculture must report to the Legislature of what the minimum eligible debt amount would be if adjusted using the United States Department of Agriculture's Index of the Cost of Production.

*Add Minn. Stat. § 583.24, subd. 5*

*Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date*

*Note:* Conforming amendments, adjusting the minimum amount, were made to:
- Minn. Stat. § 336.9-601(h) and (i) *(Uniform Commercial Code; security interest in agricultural property)*
- Minn. Stat. § 550.365, subd. 1 *(Mediation notice required prior to levy on agricultural property)*
- Minn. Stat. § 559.209, subd. 1 *(Mediation notice required prior to termination of contract for deed for agricultural property)*
- Minn. Stat. § 582.039, subd. 1 *(Mediation notice required prior to foreclosure on agricultural property)*

D. **Necessary Living Expenses Amount**

Raises the amount that the creditor is required to release for necessary living expenses (less the debtor's off-farm income) from $1,600 to $3,600 per month. Requires, beginning in 2022 and every five years thereafter, the Department of Agriculture must report to the Legislature in the House and Senate of what the monetary limit would be if adjusted using the United States All-Items Consumer Price Index.

*Amends Minn. Stat. § 583.27, subd. 1*

*Repeals Minn. Stat. § 583.22, subd. 7b (definition of “necessary living expenses”)*

E. **Obligation to Authorize Extension Service to Obtain Credit Report**

Requires a debtor, in addition to stating in a mediation request all known creditors with debts secured for agricultural property, to authorize the Director of the Minnesota Extension Service to obtain the debtor's credit report from one or more credit reporting agencies.

*Amends Minn. Stat. § 583.26, subd. 2*

*Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date*
F. Notice Changes

1. **Mediation Request Notice**
   Adds that the mediation request form must notify the debtor that failure to list a significant unsecured creditor could result in a bad faith determination under Minn. Stat. § 583.27, subd. 1 (obligation of good faith).
   *Amends Minn. Stat. § 583.26, subd. 2*
   *Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.*

2. **Mediation Proceeding Notice**
   Requires the mediator to send a mediation proceeding notice to any unsecured creditors identified in a credit report.
   *Amends Minn. Stat. § 583.26, subd. 4*
   *Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.*

3. **Notice of Obligation to Participate in Good Faith**
   Requires the Director of the Minnesota Extension Service to notify all parties in writing, prior to the initial mediation meeting, of: (1) their obligation to participate in good faith; and (2) the consequences of failing to participate in good faith.
   *Amends Minn. Stat. § 583.27, subd. 1*
   *Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.*

4. **Mediation Termination Notice**
   Requires that the termination statement that the mediator must sign and serve on the parties: (1) specify the date on which the mediation ended; and (2) describe or reference any new line of credit, loan, or other debt issued by a creditor to the debtor as a result of the mediation.
   *Amends Minn. Stat. § 583.26, subd. 10*
   *Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.*

G. **Farmer-Lender Mediation Orientation**
   Requires the mediator to inform the debtor of the requirement to participate in good faith by addressing, prior to the initial mediation meeting, any inadequacies identified by the financial analyst.
   *Amends Minn. Stat. § 583.26, subd. 3a*
   *Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act.*
H. Deadline Added to Provide Financial Obligations
Provides that failure to provide full information regarding the financial obligations of the parties and other creditors by no later than the initial mediation meeting constitutes failure to act in good faith.
Amends Minn. Stat. § 583.27, subd. 1
Effective August 1, 2017, and applies to debt subject to the Farmer-Lender Mediation Act that is initiated on or after that date.

II. BEGINNING FARMER PROGRAM TAX CREDIT
First Special Session, Chapter 1, Article 1, Sections 1, 16 and 17 (HF 1)
Omnibus Tax Bill
Adds Minn. Stat. §§ 41B.0391; and 290.06, subds. 37 and 38

A. Establishment
Establishes within the Minnesota Rural Finance Authority a Beginning Farmer Program Tax Credit. Specifies duties of the Authority with respect to administration of the credit.

B. Eligibility
Defines “beginning farmer” as a person who: (1) is a Minnesota resident; (2) is seeking entry into, or has entered, farming within the last ten years; (3) intends to farm land located in Minnesota; (4) is not and whose spouse is not a family member of the owner – or partner, member, shareholder, or trustee of the owner – of the agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets; (5) and meets other eligibility requirements as determined by the Minnesota Rural Finance Authority, including a net worth requirement.
I. HEALTHY EATING, HERE AT HOME
First Special Session, Chapter 4, Article 1, section 26
Omnibus State Government Finance Bill
Appropriations Section
Effective July 1, 2017

Appropriates $325,000 a year for supplemental SNAP vouchers to be used at farmer’s markets statewide.
I. DHS AUDITS

*First Special Session, Chapter 6, Article 4, Section 1 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Adds Minn. Stat. § 3.972, subd. 2a*

*Effective July 1, 2017*

Requires the Legislative Auditor, to: (1) “give high priority” to DHS benefit programs; (2) no less than three times per year, test a sample of MA and MNCare enrollees to determine whether they were eligible; (3) report the results to DHS, with any recommended corrective action; (4) monitor DHS’ implementation of corrective action; and (5) periodically report to the Legislature.

II. ADMINISTRATIVE RECONSIDERATION

*First Special Session, Chapter 6, Article 4, Section 6 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Amends Minn. Stat. § 256.9684, subd. 1a*

*Effective July 1, 2017*

Requires the reconsideration process for denials of hospital inpatient services determined to be medically necessary to be conducted by the medical review agent rather than by physicians.
III. PERIODIC DATA MATCHING
First Special Session, Chapter 6, Article 4, Sections 21 and 22 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256B.0561, subds. 2 and 4
Effective July 1, 2017

Moves the projected implementation date to conduct periodic data matching to April 1, 2018 and the initial date for reporting of the results to the Legislature by September 1, 2019.

IV. WAIVER REQUESTS
First Special Session, Chapter 6, Article 4, Section 17 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256B.04, subd. 24
Effective July 1, 2017

Requires DHS to notify the Chairs and Ranking Minority Members of committees with jurisdiction over MA at least 30 days before submitting a new Medicaid waiver request to the federal government.
AUTISM SPECTRUM DISORDER

I. EARLY INTENSIVE DEVELOPMENTAL BEHAVIORAL INTERVENTION MA SERVICE CHANGES

Regular Session, Chapter 19
Amends Minn. Stat. § 256B.0949
Effective dates:
Section 1, subd. 1-9, 13-14, 16 July 1, 2017;
Subd. 15, 17 April 28, 2017;
Subd. 10-12 August 1, 2017

Modifies numerous provisions of the M.A. EIDBI benefit for children with Autism Spectrum Disorder, including: (1) provider qualifications; (2) covered services; and (3) geographic access provisions.

II. FUNDING FOR MINNESOTA LIFE COLLEGE

Regular Session, Chapter 89, Article 1, Section 2, subd. 37
First Special Session, Chapter 6, Article 18, Section 2, subd. 29 (f) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Appropriations Rider
Effective July 1, 2017

A. Minnesota Life College Grant
Provides $125,000 for a Department of Human Services (DHS) grant each year of the SFY 2018-19 biennium to an organization in Richfield (Minnesota Life College) for best practices curriculum development to serve persons with Autism Spectrum Disorder and to expand facilities to improve safety, residential and academic areas.

B. Scholarship Funding
Appropriates $2 million for the SFY 2018-19 biennium ($1 million per year) to the Office of Higher Education (OHE) for need-based scholarships for students to attend Minnesota Life College.

III. SOMALI AUTISM FUNDING

First Special Session, Chapter 6, Article 18, Section 12, subd. 2 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified provision
Effective July 1, 2017

Requires the Department of Health to provide a grant to Dakota County to partner with a community-based organization to address barriers for Somali families with children who have autism. Requires the Department to report to the Legislature on the use of the grant funds and outcomes by January 15, 2019.
CHEMICAL HEALTH

I. PUBLIC POLICY ON ALCOHOL AND DRUG USE
First Special Session, Chapter 6, Article 8, Section 38 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 254A.01
Effective January 1, 2018

Declares it to be public policy that: (1) scientific evidence shows that addiction to alcohol or other drugs is a chronic brain disorder with potential for recurrence, and people with substance use disorders can be effectively treated and enter recovery; and (2) the interests of society are best served by reducing the stigma of substance use disorder and providing persons who are dependent upon alcohol or other drugs with a comprehensive range of rehabilitative and social services that span intensity levels and are not restricted to a particular point in time.

II. NEW DEFINITIONS
First Special Session, Chapter 6, Article 8, Sections 43 and 46 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 254A.02, subds. 6a and 10a
Effective January 1, 2018

A. “Substance Misuse”
Adds the definition of “substance misuse” to mean “the use of any psychoactive or mood-altering substance, without compelling medical reason, in a manner that results in mental, emotional, or physical impairment and causes socially dysfunctional or socially disordering behavior and that result in psychological dependence or physiological addiction as a function of continued use.” Provides that “substance misuse” has the same meaning as drug abuse or abuse of drugs.
Adds Minn. Stat. § 254A.02, subd. 6a

B. “Substance Use Disorder”
Adds the definition of “substance use disorder” to mean “the meaning given in the current Diagnostic and Statistical Manual of Mental Disorders.”
Adds Minn. Stat. § 254A.02, subd. 10a
III. **SUBSTANCE USE DISORDER SERVICES**

*First Special Session, Chapter 6, Article 8, Sections 14 – 35, 47 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

Amends Minn. Stat. § 254A.03, subd. 3

Adds Chapter 245G (Minn. Stat. §§ 245G.01 – 245G.22)

Effective January 1, 2018

A. **Substance Use Disorder Treatment for Public Assistance Recipients**

Provides that, notwithstanding Minnesota Rules, upon federal approval of a comprehensive assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, an eligible vendor of comprehensive assessments under Minn. Stat. § 254B.05 may determine and approve the appropriate level of substance use disorder treatment for a recipient of public assistance.

*Amends Minn. Stat. § 254A.03, subd. 3*

B. **New Standards in New Chapter**

Establishes standards for substance use disorder services: (1) mostly codifying existing rules; (2) consolidating provisions relating to opioid treatment programs; and (3) including new language expanding peer recovery support services and care coordination, subject to federal approval.

*Adds Chapter 245G (Minn. Stat. §§ 245G.01 – 245G.22)*

IV. **VENDORS OF COMPREHENSIVE ASSESSMENT AND ASSESSMENT SUMMARY SERVICES**

*First Special Session, Chapter 6, Article 8, Section 58 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

Amends Minn. Stat. § 245B.05, subd. 1

Effective January 1, 2018 or upon federal approval, whichever is later

Provides that, on July 1, 2018, or upon federal approval, whichever is later, a licensed professional in private practice who meets the staffing qualifications requirements of the new substance use disorder chapter (specifically new Minn. Stat. § 245G.11, subds. 1 and 4) is an eligible vendor of a comprehensive assessment and assessment summary.
I. BILLING FOR MENTAL HEALTH SERVICES
First Special Session, Chapter 6, Article 1, Section 50 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Requires DHS to report to Legislature by January 1, 2018 on the potential costs and benefits of the Deaf and Hard-of-Hearing Services Division billing for the cost of providing mental health services.

II. DEAF AND HARD-OF-HEARING SERVICES DIVISION OF DHS
First Special Session, Chapter 6, Article 1, Sections 36 - 40 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. §§ 256C.233, subds. 1 and 2; and 256C.24, subds. 1, 2, and 3
Effective July 1, 2017

A. Specific Activities
Specifies that the Commissioners of Education, Employment and Economic Development and Health shall advise the Commissioner of Human Services on the activities of the Deaf and Hard-of-Hearing Division and updates terminology.
Amends Minn. Stat. § 256C.233, subd. 1

B. Responsibilities
Modifies and expands the duties of the Deaf and Hard-of-Hearing Division, both within DHS and with other agencies and counties, to include: (1) information; (2) advocacy; (3) training; (4) service provision, including mental health services; (5) research; and (6) reports to the Legislature.
Amends Minn. Stat. § 256C.233, subd. 2

C. Definitions
Adds definitions of: (1) “culturally affirmative”; (2) “interpreting services”; and (3) “Real-time captioning.” Modifies the definition of “deaf” by including additional examples of visual and manual means of communication.
Add Minn. Stat. § 256C.23, subd. 1a (“culturally affirming”)  
Add Minn. Stat. § 256C.23, subd. 2c (“interpreting services”)  
Add Minn. Stat. § 256C.23, subd. 6 (“Real-time captioning”)  
Amends Minn. Stat. § 256C.23, subd. 2 (“deaf”)
D. Regional Service Centers

1. **Location**
   Requires the Division to establish at least six regional service centers. Incorporates people first language and updates the list of duties a regional service center must perform. Allows travel reimbursement for people traveling more than 50 miles round-trip from home or work to receive services at a regional service center in accordance to IRS reimbursement rates. 
   *Amends Minn. Stat. § 256C.24, subds. 1 and 2*

2. **Services for Persons who are Deafblind**
   Clarifies DHS’ deaf-blind grant funding responsibilities. Prohibits the regional service centers from providing grant-funded consumer-directed services. 
   *Amends Minn. Stat. § 256C.261*

III. **STUDY OF TELECOMMUNICATIONS EQUIPMENT PROGRAM**
*First Special Session, Chapter 6, Article 1, Section 49 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Uncodified Section*
*Effective July 1, 2017*

Requires the DHS and the Commission of Deaf, Deaf-Blind and Hard-Of-Hearing Minnesotans to propose recommendations to the Legislature by January 15, 2018 to modernize the telecommunication equipment program and provide draft legislative language to enact the recommendations 
*Effective July 1, 2017.*
I. INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH PROJECTS

First Special Session, Chapter 5, Article 3, Section 56 (HF 2)
Omnibus E-12 Education Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Establishes a grant program to fund projects which improve mental health outcomes for youth in intermediate school districts developed by mental health providers in collaboration with school districts. Appropriates $4.9 million for the SFY 2018-19 biennium ($2,450,000 per year) from the general fund to DHS for a grant program to fund innovative projects to improve mental health outcomes for youth attending a qualifying school unit.

II. POSITIVE BEHAVIORAL INTERVENTION AND SUPPORTS

First Special Session, Chapter 5, Article 2, Section 26 (HF 2)
Omnibus E-12 Education Finance and Policy Bill
Amends Minn. Stat. § 122A.627
Effective July 1, 2017

Adds a definition of “positive behavioral intervention and supports” to include evidence-based practices and interventions.

III. TRANSPORTATION FOR SCHOOL-LINKED MENTAL HEALTH SERVICES

First Special Session, Chapter 6, Article 8, Section 7 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 245.4889, subd. 1
Effective July 1, 2017

Allows school-linked mental health grant funding to be used for transporting children receiving school-linked mental health services when school is not in session.
EMPLOYMENT

I. ANOKA COUNTY COMPETITIVE EMPLOYMENT PILOT PROGRAM
Regular Session, Chapter 94, Article 1, Sections 2, subd. 3 paragraph (kk) (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $150,000 to Anoka County for a pilot program for transition age youth ages 18-21 to include career guidance, job-seeking and job performance skills in collaboration with schools, vocational rehabilitation, disability service providers. Allows grant funds to be used to pay employers up to 50% of wages paid during on-the-job training.

II. ASSISTIVE TECHNOLOGY OF MINNESOTA
Regular Session, Chapter 94, Article 1, Sections 2, subd. 3 paragraph (hh) (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $1,000,000, available until June 30, 2019 to the Department of Employment and Economic Development for a grant to Assistive Technology of Minnesota to provide low-interest loans to individuals of all ages and types of disabilities to purchase assistive technology and employment-related equipment.

Note: Assistive Technology Minnesota is a statewide nonprofit organization that is exclusively dedicated to the issues of access to and the acquisition of assistive technology.

III. DAY TRAINING & HABILITATION
First Special Session, Chapter 6, Article 1, Section 3 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 252.41, subd. 3
Effective upon federal approval

Removes supported employment from the list of day training & habilitation services. Clarifies that work-related activities are center-based. Specifies that day training & habilitation services do not include, as defined in the HCBS waivers for people with disabilities authorized under Minn. Stat. §§ 256B.092 and 256B.49: (1) employment exploration; (2) employment development; or employment support services.
IV. **DIVISION OF VOCATIONAL REHABILITATION FUNDING INCREASE**
*Regular Session, Chapter 94, Article 1, Section 2, subd. 6 (a) (SF 1456)*
*Omnibus Jobs and Economic Development Finance and Policy Bill*
*Appropriations Rider*
*Effective July 1, 2017*

Appropriates $28,600,000 for the SFY 2018-19 biennium ($14,300,000 each year) for the state’s vocational rehabilitation program administered by the Department of Employment and Economic Development (DEED). Provides an increase of $7 million for the SFY 2018-19 biennium ($3.5 million each year) for the state’s vocational rehabilitation program to meet two new federal mandates to provide preemployment transition services for youth with a disability and to meet with individuals receiving subminimum wage to determine if they would like to pursue competitive integrated employment.

V. **EMPLOYMENT SERVICES ADDED TO DISABILITY HCBS WAIVERS**
*First Special Session, Chapter 6, Article 1, Sections 2, 23, 24, and 47 (SF2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Amends Minn. Stat. §§ 245D.03, subd. 1; and 256B.4914, subds. 3 and 5*
*Uncodified provision*
*Effective upon federal approval*

Adds the following services as defined in the disability HCBS waiver plans to the licensing statute as intensive support services and to the rate setting methodology statute: (1) employment exploration services; (2) employment development services; and (3) employment supports services. Requires DHS to submit necessary waivers to: (1) add the new employment services to Minnesota’s disability HCBS waivers; and (2) remove community-based employment services from DT&H and prevocational services by October 1, 2017.

VI. **EMPLOYMENT SERVICES FOR PERSONS WHO ARE DEAF, DEAFBLIND, OR HARD-OF-HEARING**
*Regular Session, Chapter 94, Article 1, Section 2, subd. 6 (e) (SF 1456)*
*Omnibus Jobs and Economic Development Finance and Policy Bill*
*Effective July 1, 2017*

Provides $1 million each year of the biennium for employment services for persons who are deaf, deafblind, or hard-of-hearing for programs through the Department of Employment and Economic Security.
VII. EMPLOYMENT SERVICES FOR PERSONS WITH MENTAL ILLNESS
Regular Session, Chapter 94, Article 1, Section 2, subd. 6 (d) (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $5,110,000 for the SFY 2018-19 biennium ($2,555,000 each year) to the Department of Employment and Economic Development for grants to programs that provide employment support services to persons with mental illness under Minn. Stat. §§ 268A.13 and 268A.14.

VIII. EXTENDED EMPLOYMENT SERVICES FOR PERSONS WITH SEVERE DISABILITIES
Regular Session, Chapter 94, Article 1, Section 2, subd. 6 (c) (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $27,650,000 (from multiple sources) for the SFY 2018-19 biennium ($13,825,000 each year) to the Department of Employment and Economic Development with $1 million per year designated for rate increases for providers of extended employment services for persons with severe disabilities under Minn. Stat. § 268A.15.

IX. MEDICAL ASSISTANCE FOR EMPLOYED PERSONS WITH DISABILITIES (MA-EPD)
First Special Session, Chapter 6, Article 4, Section 23 (SF2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256B.057, subd. 9
Effective May 31, 2017

Adds a definition of “good cause” for purposes of nonpayment of MA-EPD premiums to replace a reference to an obsolete MinnesotaCare rule.

X. MINNESOTA DIVERSIFIED INDUSTRIES FUNDING
Regular Session, Chapter 94, Article 1, Sections 2, subd. 3(m) (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $900,000 for the SFY 2018-19 biennium ($450,000 each year) to the Department of Employment and Economic Development for grants to Minnesota Diversified Industries, Inc. to provide progressive development and employment opportunities for people with disabilities.
XI. SUPPORTED WORK PROGRAM – RAMSEY COUNTY

Regular Session, Chapter 61 (HF 2174)
Amends Minn. Stat. § 383A.288 by adding a subdivision.
Effective August 1, 2017

Exempts up to five full-time positions in Ramsey County to be filled by selection in a supported work program for people with disabilities who require continued support of a job coach from the general requirement that classified positions be filled through competition in an examination, certification, and appointment process. Allows each position to be shared by up to three persons with disabilities and a job coach. Specifies that the job coach is not considered a Ramsey County employee.

Adds Minn. Stat. § 383A.288, subd. 7
FOSTER CARE

I. APPEALS – ADULT FOSTER CARE AND CORPORATE FOSTER CARE SETTINGS
First Special Session, Chapter 6, Article 2, Section 9 (SF2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256.045, subd. 3
Effective May 31, 2017

Makes state agency hearings available for EW participants terminated under new Minn. Stat. § 245A.11, subd. 11.

II. EXCEPTIONS TO MORATORIUM ON CORPORATE FOSTER CARE
First Special Session, Chapter 6, Article 2, Section 3 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245A.03 subd. 7
Effective July 1, 2017

Establishes two new exceptions to the moratorium on the development of corporate adult foster care residences for persons transitioning from residential care homes and those living in unlicensed settings which are required to become licensed. Provides authority for the commissioner to increase or decrease licensing residences based on needs identified in the Long-Term Services and Supports Report required under § 144.351.
I. RESIDENT RIGHTS

First Special Session, Chapter 6, Article 2, Section 6 (SF2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245A.11, subd. 10
Effective May 31, 2017

A. Notice of Rights On Admission
Requires the license holder to “ensure that, upon admission, a resident and a resident's legal representative is given: (1) an explanation and copy of the resident's rights; (2) a written summary provided by DHS of the Vulnerable Adults Protection Act; and (3) name and contact for the local agency to which a resident or a resident's legal representative may submit a complaint.

Adds Minn. Stat. § 245A.11, subd. 10(a)

B. Rights
Enumerates 20 rights granted to adult foster care residents, including the rights to: (1) privacy; (2) choice of visitors; (3) choice of commercial, religious, political, and community activities; (4) come and go at will; (5) access to and confidentiality of financial, health, and medical information; and (6) freedom bias and harassment based on race, gender, age, disability, spirituality, or sexual orientation; and (7) freedom from maltreatment.

Adds Minn. Stat. § 245A.11, subd. 10(b)

C. Restriction on Rights
Allows restriction of certain enumerated resident's rights only if: (1) determined necessary to ensure the health, safety, and well-being of the resident; (2) is justified and documented in the resident’s individual abuse prevention plan; and (3) is implemented in the least restrictive manner necessary to protect the resident and provide support to reduce or eliminate the need for the restriction.

Adds Minn. Stat. § 245A.11, subd. 10(c)

II. BEDROOMS

First Special Session, Chapter 6, Article 2, Section 5 (SF2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245A.11, subd. 9
Effective May 31, 2017

A. Right to Choose/Change Roommate
Grants rights to resident receiving services of a choice of roommate. Requires each roommate must consent in writing to sharing a bedroom with one another. Makes license holder responsible for notifying a resident of the right to request a change of roommate.

Adds Minn. Stat. § 245A.11, subd. 9(a)
B. **Lock**

Requires the license holder to provide a lock for each resident's bedroom door, unless otherwise indicated for the resident's health, safety, or well-being. Provides that a restriction on the use of the lock must be documented and justified in the resident's individual abuse prevention plan.

*Adds Minn. Stat. § 245A.11, subd. 9(b)*

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III. **NOTICE TO RESIDENTS OF PROVIDER’S TERMINATION POLICY**

*First Special Session, Chapter 6, Article 1, Section 5 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Amends Minn. Stat. § 245A.04, subd. 14*

*Effective July 1, 2017*

Requires adult foster care providers to annually provide notice of the resident termination policy to EW residents.

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IV. **PLANNED CLOSURES**

*First Special Session, Chapter 6, Article 2, Sections 16, 17 and 18 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Amends Minn. Stat. § 256B.493, subds. 1 and 2*

*Adds Minn. Stat. § 256B.493, subd. 2a*

*Effective July 1, 2017*

Provides authority to the commissioner of DHS to manage statewide licensed corporate foster care or community residential capacity to accomplish consolidation or closure of settings to respond to individuals’ informed choices to move and to meet budgetary savings requirements. Removes language requiring DHS to implement a program for a planned closure of adult foster care homes. Requires a need determination process. Requires DHS to work with stakeholders to establish a process for application, review, approval, and implementation of setting closures. Requires DHS to give priority to closure plans which meet certain criteria. Requires DHS to consider any information on the impact of the planned closure on people and the services they need provided by: (1) people using services; (2) their legal representatives; (3) family members; or (4) the lead agency.
V. SERVICE TERMINATION RIGHTS FOR EW PARTICIPANTS
First Special Session, Chapter 6, Article 2, section 7 (SF2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245A.11, subd. 11
Effective May 31, 2017

A. Conditions for Termination
Establishes that a license holder must allow the resident to remain in the program unless: (1) the termination is necessary for the resident’s health, safety, and well-being and the resident’s needs cannot be met in the facility; (2) the safety of the resident or another resident is endangered; (3) the program was not paid for services or the program ceases to operate; or (4) the resident was terminated by the lead agency from waiver eligibility.
Adds Minn. Stat. § 245A.11, subd. 11(c)

B. Obligations of the License Holder
Requires the license holder to: (1) establish policies and procedures for service termination that promote continuity of care and service coordination; (2) prior to notice of service termination, document the action taken to minimize or eliminate the need for termination, including enumerated actions; and (3) following receipt of termination notice and prior to termination: (i) work with the support team to develop reasonable alternatives to support continuity of care and to protect the resident; (ii) provide information requested by the resident or case manager; and (ii) maintain information about the service termination in the resident’s record.
Adds Minn. Stat. § 245A.11, subds. 11(b), 11(d), and 11(h)

C. Notification of Intended Termination
Requires the license holder must to notify the resident or the resident's legal representative and the case manager, in writing, of the intended service termination at least 30 days before terminating a resident's service. Specifies contents of the notice, which include: (1) the reason for termination; and (2) appeal rights.
Adds Minn. Stat. § 245A.11, subd. 11(f) (obligation to notify; contents of notice)
Adds Minn. Stat. § 245A.11, subd. 11(g) (timing of notification)
I. HIGHER EDUCATION FOR STUDENTS WITH INTELLECTUAL/DEVELOPMENTAL DISABILITIES

Regular Session, Chapter 89, Article 2, Sections 8 and 18 (HF 943)
Omnibus Higher Education Finance and Policy Bill
Adds Minn. Stat. §§ 136A.1215 and 137.45
Various Effective Dates

A. Financial Assistance for Students with Intellectual and Developmental Disabilities

Establishes a program to provide financial assistance to students with intellectual and developmental disabilities who attend a Minnesota postsecondary institution. Provides that the grant covers the tuition and fees at the student's postsecondary institution, minus any Pell or state grants or institutional aid.

Adds Minn. Stat. § 136A.1215
Effective August 1, 2017

B. Students with Intellectual and Developmental Disabilities at U of M-Morris

Requests the Board of Regents to offer an academic program at the University of Minnesota-Morris consisting of “an inclusive, full-time, two-year residential college experience” for students with intellectual and developmental disabilities. Requires an enrollment goal of at least 15 incoming students per academic year. Provides that students who successfully complete the program must be awarded a certificate, diploma, or other appropriate academic credential.

Adds Minn. Stat. § 137.45
Effective beginning in the 2018-2019 academic year

II. FUNDING FOR MINNESOTA LIFE COLLEGE

Regular Session, Chapter 89, Article 1, Section 2, subd. 37 (SF 943)
Omnibus Higher Education Finance and Policy Bill
First Special Session, Chapter 6, Article 18, Section 2, subd. 29 (f) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Appropriations Riders
Effective July 1, 2017

A. Minnesota Life College Grant

Provides $125,000 for a DHS grant each year of the SFY 2018-19 biennium to an organization in Richfield (Minnesota Life College) for best practices curriculum development to serve persons with Autism Spectrum Disorder and to expand facilities to improve safety, residential and academic areas.

First Special Session, Chapter 6, Article 18, Section 2, subd. 29 (f) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
B. **Scholarship Funding**

Appropriates $2 million for the SFY 2018-19 biennium ($1 million per year) to the Office of Higher Education (OHE) for need-based scholarships for students to attend Minnesota Life College.

*Regular Session, Chapter 89, Article 1, Section 2, subd. 37 (SF 943)*

*Omnibus Higher Education Finance and Policy Bill*
HOME AND COMMUNITY-BASED SERVICES (HCBS) WAIVERS

I. CLAIMS AGAINST ESTATES – DEFINITION OF “HOME AND COMMUNITY-BASED SERVICES”

Regular Session, Chapter 46 (SF 216)
Amends Minn. Stat. § 256B.15, subds. 1, 1a, and 2
Effective May 13, 2017 and applies retroactively to estate claims pending on or after July 1, 2016, and to the estates of people who died on or after July 1, 2016.

Limits estate recoveries from persons 55 years of age or older to the amount of MA paid for following services, if rendered prior to January 1, 2014: (1) long-term care services (and related hospital and pharmacy services); (2) institutionalizations; and (3) General Assistance Medical Care. Clarifies that “home and community-based services” includes alternative care services, even when those services receive only state funding.

Note: Federal and state law require the DHS and local agencies to recover costs that the MA program paid for enrollees through estate recovery. The enacted statute brings the language in line with the revised state plan approved by the Centers for Medicare and Medicaid Services (CMS).

II. CONSUMER-DIRECTED COMMUNITY SUPPORTS (CDCS) CHANGES

First Special Session, Chapter 6, Article 1, Sections 44, 45, and 46 and Article 18, Section 2, subd. 7(c) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Sections
Various Effective Dates

A. CDCS Budget Methodology Exception Expanded
Requires DHS to submit an HCBS disability waiver amendment to expand the exception to the CDCS budget methodology to provide up to 30% more funds for those currently using CDCS who: (1) need an increased amount of services over the amount they currently receive to increase the amount of time the person works; (2) improve employment opportunities; (3) move to a more independent setting or (4) develop and implement a positive behavior support plan. Makes the budget exception providing up to 30% more funds available to individuals who want to move from licensed services or will have to give up CDCS and use more expensive licensed services if it can be shown that the licensed services would cost more annually than the person would spend under CDCS. Requires an individual to be able to demonstrate that his/her total costs of services including the exception will be less than the cost of current or planned services without the budget exception.
Effective October 1, 2017 or upon federal approval, whichever is later
B. **CDCS Institution and Crisis Residential Budget Exception**
Requires DHS to establish an institutional/crisis bed CDCS budget exception to provide increased funding for the HCBS disability waivers by September 30, 2017 for individuals who have been ready to move from an institutional setting for at least 60 days and require services that are more expensive than appropriate non-institutional services provided through the CDCS option. Lists institutional settings to include: (1) ICF/DD; (2) nursing facilities; (3) acute care hospitals; (4) the Anoka Metro Regional Treatment Center; (5) the Minnesota Security Hospital; and (5) crisis beds.
*Effective May 31, 2017*

C. **CDCS Revised Budget Methodology Proposal and Report**
Directs DHS to consult with stakeholders to develop a new CDCS budget methodology based on specified comparisons and report to specific legislative leaders and committees by December 15, 2018. Appropriates $325,000 to DHS budget methodology development.
*Effective May 31, 2017*

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III. **DISABILITY WAIVER CONSOLIDATION RECOMMENDATIONS**
*First Special Session, Chapter 6, Article 18, Section 2, subd. 7(h) (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Uncodified Sections*
*Effective July 1, 2017*

Appropriates $250,000 for the SFY 2018-19 biennium to DHS to conduct a study on combining the four disability HCBS waivers into one program. Requires the results and recommendations to be reported to the Legislature by January 15, 2019.

IV. **DISABILITY WAIVER RATE SYSTEM (DWRS) CHANGES**
*First Special Session, Chapter 6, Article 1, Sections 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, and 31 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Amends Minn. Stat. § 256B.4913, subd. 4a and Minn. Stat. § 256B.4914, subds. 2, 3, 5, 6, 7, 8, 9, 10, 10a, and 16*
*Adds Minn. Stat. § 256B.4913, subd. 7*
*Various effective dates*

A. **Rate Stabilization Adjustment**
Adds a seventh year of banding to the historical rates and makes changes to the historical rate for certain day service recipients.
*Amends Minn. Stat. § 256B.4913, subd. 4a*
*Banding change effective upon federal approval*
*Day services effective May 31, 2017*
B. **New Services**
Adds four new services – which will be licensed when license provisions are developed – to the disability HCBS waivers and rate system, including: (1) individualized home supports; (2) employment exploration; (3) employment development; and (4) employment supports. Eliminates supported employment services upon federal approval of the new employment services.

*Amends Minn. Stat. § 256B.4914, subds. 3 and 5*
*Effective upon federal approval except individualized home support, which are effective May 31, 2017.*

C. **Unit-Based Services**
Modifies the definition of unit of service for several unit-based services without programming. Makes changes to add new services to unit-based services with programming rate setting methodology.

*Amends Minn. Stat. § 256B.4914, subds. 2 and 8*
*Effective upon federal approval except changes for unit-based services with programming, which are effective May 31, 2017.*

D. **Responsibilities for DHS and Enrolled Providers**
Changes DHS requirements for certain DWRS evaluation and analytical requirements. Requires the commissioner to make recommendations to the Legislature by January 15, 2018. Removes budget neutrality factors as required by CMS.

*Amends Minn. Stat. § 256B.4914, subd. 10*
*Effective May 31, 2017*

E. **Provider Data Reporting and Cost Updates**
Requires providers to report business costs every five years and requires DHS to update the wage and component values to reflect the costs every five years.

*Amends Minn. Stat. § 256B.4914, subd. 5*
*Effective May 31, 2017*

F. **Respite Care**
Removes respite care from DWRS so it can be paid at market rate.

*Amends Minn. Stat. § 256B.4914, subd. 2*
*Effective upon federal approval*

G. **Independent Living Services**
Provides new rate methodology for independent living skills specialist.

*Amends Minn. Stat. § 256B.4914, subd. 5*
*Effective January 1, 2018*
V. **EMPLOYMENT SERVICES ADDED TO DISABILITY HCBS WAIVERS**  
*First Special Session, Chapter 6, Article 1, Sections 2, 23, 24, and 47 (SF2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. §§ 245D.03, subd. 1; and 256B.4914, subds. 3 and 5*  
*Uncodified provision*  
*Effective upon federal approval*

Adds the following services as defined in the disability HCBS waiver plans to the licensing statute as intensive support services and to the rate setting methodology statute: (1) employment exploration services; (2) employment development services; and (3) employment supports services. Requires DHS to submit necessary waivers to: (1) add the new employment services to Minnesota’s disability HCBS waivers; and (2) remove community-based employment services from DT&H and prevocational services by October 1, 2017.

VI. **HCBS INCENTIVE POOL**  
*First Special Session, Chapter 6, Article I, Section 19, and Article 18, Section 2, subd. 26 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 256B.0921*  
*Effective July 1, 2017*

Adds a new purpose – achieving integrated competitive employment for youth under age 25 upon graduation from school -- to the three competitive grant purposes in current law: (1) competitive employment, (2) integrated living and (3) other outcomes determined by the DHS. Appropriates $1 million per year for the biennium.

VII. **HCBS RIGHTS – NUTRITIONAL MEALS/SNACKS**  
*First Special Session, Chapter 6, Article 2, Section 8 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 245D.04, subd. 3*  
*Effective May 31, 2017*

Adds a new right to HCBS service participants’ protection-related rights in residential settings: access to three nutritionally balanced meals and nutritious snacks between meals each day.
VIII. HCBS SETTINGS RULE IMPLEMENTATION
First Special Session, Chapter 6, Article 2, Sections 1, 2, 4 - 9, and 12 - 14 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. §§ 144D.04, subd. 2; 245A.04, subd. 14; 245D.04, subd. 3; 256.045, subd. 3;
256B.0915, subd. 1; 256B.092, subd. 4; and 256B.49, subd. 11
Adds Minn. Stat. §§ 144D.04; and 245A.11, subds. 9, 10, and 11
Effective May 31, 2017

Changes multiple sections of HCBS licensing and other standards to comply with the new federal home and community-based services setting rule, which effective date was extended by the federal agency, CMS, by three years to March, 2022.

IX. INDIVIDUALIZED HOME SUPPORTS SERVICES ADDED TO DISABILITY HCBS WAIVERS
First Special Session, Chapter 6, Article 1, Sections 2, 23 and 24 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. §§ 245D.03, subd. 1; and 256B.4914, subds. 3 and 5
Effective May 31, 2017

Adds individualized home supports services as defined in the disability HCBS waiver plans as a new service to be licensed as an intensive support service and included in the disability waiver rate setting system.

X. SPOUSAL ANTI-IMPOVERISHMENT
Regular Session, Chapter 40, Sections 65 and 66 (SF1654), as amended by
First Special Session, Chapter 6, Article 4, Section 24 (SF 2) (Omnibus Health and Human Services Finance and Policy Bill)
Amends Minn. Stat. § 256B.059, subds.5 and 6
Various Effective Dates

A. Provisions Governing College Savings and Retirement Accounts
Removes provisions allowing college saving and retirement accounts which were not approved by the federal agency, Centers for Medicare and Medicaid Services (CMS).
Amends Minn. Stat. § 256B.059, subd. 5
Effective August 1, 2017

B. Married Couples Who Applied for HCBS Waivers On or After January 1, 2014
Adds provision agreed to by CMS to limit application of Spousal Anti-Impoverishment provisions to married couples who applied for HCBS waivers on or after January 1, 2014.
Amends Minn. Stat. § 256B.059, subd. 6
Effective May 31, 2017
XI. TRANSPORTATION STUDY
First Special Session, Chapter 6, Article 1, Section 48 and Article 18, Section 2, subd.7(a) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section and Appropriations Rider
Effective May 31, 2017

Directs DHS to work with lead agencies and stakeholders on identifying opportunities to increase access for transportation for individuals using HCBS waivers. Requires a report to the Legislature by January 15, 2019. Appropriates $500,000 for the SFY 2018-19 biennium ($250,000 each year) for this purpose.
I. GROUP RESIDENTIAL HOUSING

A. Group Residential Housing Changed to Housing Support

First Special Session, Chapter 6, Article 2, Section 39 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Directs the Revisor of Statutes to change the term “group residential housing” to “housing support” in multiple sections of statute.

B. Group Residential Housing Supplemental Service Rate Report

First Special Session, Chapter 6, Article 2, Section 38 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Directs the DHS to develop a plan to review all supplemental rates for group residential housing, a process to modify the rates as inadequate or excessive and a process to review rates in the future for the Legislature to use in funding decisions. Requires a report is due to the Legislature by December 1, 2018.

II. HOUSING SUPPORT SERVICES FOR MA RECIPIENTS

First Special Session, Chapter 6, Article 2, Section 10 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256B.05
Effective Date: Contingent upon federal approval

Adds two new housing-related services, housing transition services and tenancy support services to MA benefits for those receiving MA who are over 18 years of age and who meet disability or functional-related criteria and qualify as: (1) having been homeless; (2) transitioning from an institution or licensed or registered setting; (3) eligible for disability home and community waiver; or (4) at risk of institutionalization.

III. HOUSING WITH SUPPORTS FOR ADULTS WITH SERIOUS MENTAL ILLNESS

First Special Session, Chapter 6, Article 18, Section 2, subd. 30(d) and (e) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Appropriations Rider
Effective July 1, 2017

Increases grant for housing options and housing with supports for persons with serious mental illness by $2.15 million for the SFY 2018-19 biennium.
IV. **HOUSING WEB SITE GRANT**
*First Special Session, Chapter 6, Article 18, Section 2, subd. 24(k) and (l) (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Appropriations Rider*
*Effective July 1, 2017*

Appropriates in the SFY 2018-19 biennium: (1) $300,000 for a grant to a public or private entity to create and maintain a Web site to track availability of housing openings for persons with disabilities; and (2) $260,000 to operate a housing benefit Web site for individuals who are looking for affordable housing and supports.

V. **INDIVIDUALIZED HOME SUPPORTS SERVICES ADDED TO DISABILITY HCBS WAIVER**
*First Special Session, Chapter 6, Article 1, Sections 2, 23, and 24 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Amends Minn. Stat. §§ 245D.03, subd. 1; and 256B.4914, subds. 3 and 5*
*Effective May 31, 2017*

Adds individualized home supports services as defined in the disability HCBS waiver plans as a new service to be licensed as an intensive support service and included in the disability waiver rate setting system.

VI. **MSA HOUSING ASSISTANCE**
*First Special Session, Chapter 6, Article 2, Section 19 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Uncodified Section*
*Effective July 1, 2020*

Increase the MSA housing assistance payment to one-half of the maximum federal Supplemental Security Income (SSI) payment for an individual in effect on July 1 each year for person under age 65 years of age who are relocating from an institution, a licensed setting, a registered setting, an adult mental health residential treatment program, or are eligible for personal care assistant services or home and community-based waiver recipients living in their own home or a rented or leased apartment.
VII. RENTAL ASSISTANCE FOR PERSONS WITH MENTAL ILLNESS
Regular Session, Chapter 94, Article 1, Section 3, subd. 4 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Effective July 1, 2017

Appropriates $8,176,000 for the SFY 2018-19 biennium ($4,088,000 each year) to the
Minnesota Housing Finance Agency (MHFA) for the Rental Housing Assistance Program for
Persons with a Mental Illness or families with an adult member with a mental illness, under
Minn. Stat. § 462A.2097. Requires MHFA to prioritize proposals that target eligible persons
who desire to move to more integrated, community-based settings.

VIII. SELF-ADVOCACY FUNDING
First Special Session, Chapter 6, Article 1, Section 4 and Article 18, Section 2, subd. 29(b) and (c)
(SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256.477
Appropriation Riders
Effective July 1, 2017

Codifies provisions governing a grant to a self-advocacy organization governed by persons with
intellectual and developmental disabilities to promote and maintain a statewide self-advocacy
network for peer-led training on rights, service options and self-advocacy throughout the state.
Appropriates $248,000 per year for the SFY 2018-19 biennium. Designates $105,000 per year
of this appropriation for grants targeting peer-led training to help persons understand their
options for community services related to housing, employment, education, transportation and
other opportunities.

IX. SELF-DIRECTED WORKFORCE COLLECTIVE BARGAINING AGREEMENT
First Special Session, Chapter 6, Article 1, Section 53 and Article 18, Section 2, subd. 7(f) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section and Appropriations Section
Effective July 1, 2017

A. Rate Increase
Provides authority for DHS to implement rate changes to comply with the wage and
benefits negotiated as part of the labor agreement with service employees’
international union for the SFY 2018-19 biennium and specifies that the rate changes
apply to Personal Care Assistance services, HCBS Consumer-Directed Community
Supports and Consumer Support Grants covered in Minn. Stat. § 256B.0711, subd. 1(b).
Adds uncodified provision.
B. **Self-Directed Workforce Agreement Appropriation**
Appropriates $2.4 million for the SFY 2018-19 biennium ($1.2 million each year) for administration, training, grants and reimbursement to implement the collective bargaining agreement between the State of Minnesota and SEIU.

Appropriations Rider

X. **TRAINING FOR OLDER MINNESOTANS WHO ARE BECOMING BLIND**

*Regular Session, Chapter 94, Article 1, Section 2, subd. 7 (SF 1456)*

*Omnibus Jobs and Economic Development Finance and Policy Bill*

*Effective July 1, 2017*

Designates $1,000,000 for the SFY 2018-19 biennium ($500,000 each year) – out of the biennial budget of $12,850,000 for the State Services for the Blind – to provide training services for older Minnesotans who are becoming blind, including independent living skills to seniors to allow them to continue to live independently in their homes.
LONG-TERM SERVICES AND SUPPORTS

I. ELECTRONIC SERVICE DELIVERY DOCUMENTATION SYSTEM

First Special Session, Chapter 6, Article 3, Section 49 and Article 18, Section 2, subd. 7(g) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section and Appropriations Rider
Effective May 31, 2017

Requires DHS to develop requirements and standards for an electronic service delivery documentation system for personal care assistant services and community first services and supports to comply with the 21st Century Cures Act. Defines electronic service delivery documentation to include: (1) the type of service; (2) the individual receiving the service; (3) the date of service; (4) the location of service; (5) the individual providing the service; and (6) the time period during which the service is provided. Requires DHS to work with stakeholders to develop this system and report to the Legislature by January 15, 2018 with recommendations needed to implement the electronic verification system by January 1, 2019. Appropriates $275,000 for the SFY 2018-19 biennium ($170,000 in SFY 2018 and SFY $105,000 in 2019) for the development and implementation of the electronic documentation system.

II. HOME HEALTH SERVICES

First Special Session, Chapter 6, Article 1, Sections 5 and 7-12 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. §§ 256B.0625, subd. 6a; 256B.0653, subds. 2, 3, 4, 5 and 6
Adds Minn. Stat. § 256B.0653, subd. 7
Effective July 1, 2017

A. Home Health Services

Expands the locations where MA home health services can be provided to include the community where normal life activities take the person, as required in new federal regulations.
Amends Minn. Stat. § 256B.0625, subd. 6a.

B. Home Health Agency Services Definitions

Modifies the definitions of home health aide visits, skilled nurse visits, home care therapies, change to allow services in the community where normal life activities occur as required by new federal regulations.
Amends Minn. Stat. § 256B.0653, subds. 2, 3, 4, and 5
C. Noncovered Home Health Agency Services
Removes home care therapies provided at a day program from the list of noncovered services and adds home health agency services without documentation of a face-to-face encounter to the list of noncovered home health agency services.
*Amends Minn. Stat. § 256B.0653, subd. 6*

D. Face-to-Face Encounter
Requires face-to-face encounters be completed within 90 days before or 30 days after the start of home health services except a one-time perinatal skilled nursing visit. Allows telemedicine encounters to qualify as face-to-face. Specifies duties for physicians responsible for ordering home health services.
*Adds Minn. Stat. § 256B.0653, subd. 7*

III. ICF/DD Rate Increase -- Murray County
*First Special Session, Chapter 6, Article 3, Section 27 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Adds Minn. Stat. § 256B.5012, subd. 17*
*Effective July 1, 2017*

Increase the daily rate for an ICF/DD in Murray County to $400.

IV. MnCHOICES CHANGES
*First Special Session, Chapter 6, Article 1, Sections 13 – 18, and 51 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Amends Minn. Stat. §§ 256B.0911, subd. 2b and 5; and 256B.0911, subd. 6, as amended by Laws 2017, chapter 40, Article 1, Section 70; and 256B.0911, subd. 4d*
*Adds Minn. Stat. §§ 256B.0911, subd. 1a(f); and 256B.0911, subd. 3f*
*Uncodified Section*
*Effective July 1, 2017*

A. “Person-Centered Planning” Definition
Adds a definition of person-centered planning to additional providers
*Adds Minn. Stat. § 256B.0911, subd. 1a(f)*

B. Certified Assessor Responsibilities
Adds certified assessor responsibilities to assure person understands opportunities for employment and residence to make an informed choice.
*Amends Minn. Stat. § 256B.0911, subd. 2b*
C. Reassessment and Community Support Plan Updates
Provides parameters for reassessments based on the certified assessor’s professional judgment to review current plan, monitor services and develop an updated community support plan. Requires reassessments to verify continued eligibility or offer alternatives as warranted. Requires that face-to-face assessments must be conducted annually or as required by federal and state laws and rules.

*Add Minn. Stat. § 256B.0911, subd. 3f*

D. Face-Face Assessments for Individuals Admitted to Nursing Facilities Who Are Under Age 65
Removes requirement that face-to-face assessments occur within forty (40) calendar days of the admission of a person under age 65 to a nursing facility and allows the commissioner to establish the timeline based on a review of the data.

*Amends Minn. Stat. § 256B.0911, subd. 4d*

E. DHS Required to Modify MnCHOICES Policies
Requires DHS to work with lead agencies responsible for long-term consultation services to modify the MnCHOICES application and assessment policies to improve efficiencies while complying with federal eligibility criteria for MA and long-term services and supports.

*Amends Minn. Stat. § 256B.0911, subd. 5*

F. County Share of Payment for Long-Term Care Consultation Services
Requires counties to pay: (1) 15.7% of the nonfederal share of cost for long-term care consultation (MnCHOICES assessments) between July 1, 2017 and June 30, 2019; and (2) 18.1% beginning July 1, 2019. Shifts the cost for long-term care consultation assessments and eligibility determinations from the state general fund to counties, saving the state general fund and costs the counties $41.6 million for the SFY 2018-19/2020-21 biennia ($19.3 million for SFY 2018-19 biennium and $22.3 million for 2020-21 biennium).

*Amends Minn. Stat. § 256B.091, subd. 6, as amended by Laws 2017, Chapter 40, Article 1, Section 70*

G. MnCHOICES Assessment Tool
Directs DHS to work with lead agencies to modify the MnCHOICES assessment tool to reduce assessment times, create efficiencies, implement policy changes to reduce the frequency and length of assessment and reassessment and evaluate alternative payment methods.

*Uncodified Section*
V.  **SPOUSAL ANTI-IMPOVERISHMENT**
Regular Session, Chapter 40, Sections 65 and 66 (SF1654), as amended by
First Special Session, Chapter 6, Article 4, Section 24 (SF 2) (Omnibus Health and Human
Services Finance and Policy Bill)
Amends Minn. Stat. § 256B.059, subds. 5 and 6
Various Effective Dates

A.  **Provisions Governing College Savings and Retirement Accounts**
Removes provisions allowing college saving and retirement accounts which were not
approved by the federal agency, Centers for Medicare and Medicaid Services (CMS).
Amends Minn. Stat. § 256B.059, subd. 5
Effective August 1, 2017

B.  **Married Couples Who Applied for HCBS Waivers On or After January 1, 2014**
Adds provision agreed to by CMS to limit application of Spousal Anti-Impoverishment
provisions to married couples who applied for HCBS waivers on or after January 1, 2014.
Amends Minn. Stat. § 256B.059, subd. 6
Effective May 31, 2017

VI.  **ELIGIBILITY DATE FOR SERVICES**
First Special Session, Chapter 6, Article 3, Section 8 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256B.0911, subd. 3a
Effective July 1, 2017

Specifies the effective date of eligibility, when an eligibility update is completed and
documented within 90 days of the previous face-to-face assessment, for the following
waiver programs: (1) alternative care; (2) EW; (3) CADI; (4) CAC; and (5) BI.

VII.  **REASSESSMENTS**
First Special Session, Chapter 6, Article 3, Section 12 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256B.0915, subd. 5
Effective July 1, 2017

Eliminates the reassessment when the case manager determines that there has been
significant change in the client's functioning. (The 12-month reassessment obligation
remains unchanged.) Requires the lead agency to conduct a change-in-condition
reassessment before the annual reassessment where a client's condition changed due
to: (1) a major health event; (2) an emerging need or risk; (3) worsening health
condition; or (4) cases where the current services do not meet the client's needs.
Provides that a change-in-condition reassessment may be initiated: (1) by the lead
agency; or (2) upon a request by the client or by another party on the client's behalf.
MANAGED CARE
(PREPAID HEALTH PLANS)

I. APPEALS
First Special Session, Chapter 6, Article 15, Section 1 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256.0425, subd. 3A
Various Effective Dates

A. Second Medical Opinions
Removes option in prepaid health plan appeals for an Administrative Law Judge
to order a second medical opinion from the prepaid health plan provider. (A
second medical opinion may still be ordered from a nonprepaid health plan
provider.)
Effective July 1, 2017

B. Federal Rules Supersede State Law
Provides that, beginning January 1, 2018, the requirements of 42 C.F.R. §
438.400 to 438.424 take precedence over any conflicting provisions in Minn.
Stat. § 256.0425, subd. 3A (prepaid health plan appeals).
Effective January 1, 2018

II. ENROLLEE SUPPORT SYSTEM
First Special Session, Chapter 6, Article 15, Section 2 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 256B.69, subd. 36
Effective July 1, 2017

Requires DHS to establish an enrollee support system that provides support to an
enrollee before and during enrollment in a managed care plan. Provides that the
system must: (1) provide access to counseling for each potential enrollee on choosing a
managed care plan; (2) assist an enrollee in understanding enrollment in a managed
care plan; (3) provide an access point for complaints regarding enrollment, covered
services, and other related matters; (4) provide information on an enrollee's grievance
and appeal rights and the state's fair hearing process, including an enrollee's rights and
responsibilities; and (5) provide assistance to an enrollee, upon request, in navigating
the grievance and appeals process within the managed care organization and in
appealing adverse benefit determinations. Provides that assistance does not include
providing representation to an enrollee at the state's fair hearing, but may include a
referral to appropriate legal representation sources.
III. **ENROLLEE INFORMATION**  
*First Special Session, Chapter 6, Article 15, Section 4 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Adds Minn. Stat. § 256B.6925*  
*Effective July 1, 2017*

A. **Information Provided by DHS**  
Requires DHS to provide each enrollee with information on receiving services through managed care, including: (1) covered services; (2) service areas; (3) a provider directory; (4) a drug formulary; and (5) coordination of care.  
*Adds Minn. Stat. § 256B.6925, subd. 1*

B. **Information Provided by Managed Care Organization**  
Requires the managed care organization to provide each enrollee with information on receiving services through managed care, including: (1) an enrollee handbook; (2) a provider directory; (3) a drug formulary; and (4) written notice of termination of any contracted provider.  
*Adds Minn. Stat. § 256B.6925, subd. 2*

C. **Requirements for Provision of Information to Persons with Disabilities**  
Requires that an enrollee with a disability who cannot access the information online must be provided, upon request, with auxiliary aids and services necessary to access the information at no cost to the enrollee.

D. **Language and Accessibility Standards**  
Requires managed care organization to provide language assistance, and auxiliary aids and services, if requested, to ensure access to a managed care organization's programs and services (as required under federal law, regulations or guidance). Requires DHS to: (1) establish a methodology to identify the “prevalent non-English languages” spoken by enrollees and potential enrollees throughout Minnesota and in each managed care organization's service area; and (2) ensure that oral interpretation is provided in all languages and written interpretation is provided in each prevalent non-English language, free of charge. Specifies that oral interpretation services shall include the use of auxiliary aids, TTY/TDY, and American Sign Language. Defines "prevalent non-English language" as “a non-English language that is determined by the commissioner to be spoken by a significant number or percentage of potential enrollees and enrollees with limited proficiency in English.”
E. Monitoring System and Quality Assessment
First Special Session, Chapter 6, Article 15, Sections 5 and 6 (SF 2)
Adds Minn. Stat. §§ 256B.6926 and 256B.6927
Effective July 1, 2017

Requires DHS to: (1) establish a monitoring system that addresses all aspects of the managed care program; and (2) implement a written quality strategy for assessing and improving the quality of health care and other services provided by managed care organizations.

F. NETWORKS
First Special Session, Chapter 6, Article 15, Section 3 (SF 2)
Adds Minn. Stat. § 256B.69, subd. 37
Effective July 1, 2017

Directs DHS to ensure that a managed care organization's network providers: (1) are enrolled with the DHS as MA providers; and (2) comply with the provider disclosure, screening, and enrollment requirements in 42 C.F.R. § 455. Specifies that provider that has a network provider contract with the managed care organization is not required to provide services to a medical assistance or MinnesotaCare recipient who is receiving services through the fee-for-service system. Defines "network provider" as “any provider, group of providers, entity with a network provider agreement with the managed care organization, or subcontractor that receives payments from the managed care organization either directly or indirectly to provide services under a managed care contract between the commissioner [of DHS] and the managed care organization.”
MEDICAL ASSISTANCE

I. ELIGIBILITY

A. Asset Limits
   First Special Session, Chapter 6, Article 4, Section 19 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Amends Minn. Stat. § 256B.056, subd. 3c
   Effective July 1, 2017

   Removes the exemption for bank accounts that contain personal income or assets or are used to pay personal expenses, which now treats these accounts as capital or operating assets of a trade or business for purposes of the MA asset limit.

B. Asset Verification System
   First Special Session, Chapter 6, Article 4, Section 4 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Adds Minn. Stat. § 256B.01, subd. 18f
   Effective July 1, 2017

   Requires DHS to implement the Asset Verification System (AVS) according to federal law (Pub. L. 110-252, title VII, section 7001(d)), to verify assets for individuals who are elderly, blind, or have a disability who are applying for or renewing MA benefits under section 256B.055, subd. 7.

C. SPENDDOWN (EXCESS INCOME STANDARD)
   First Special Session, Chapter 6, Article 4, Section 20 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Amends Minn. Stat. § 256B.056, subd. 5c
   Effective June 1, 2019

   Increases -- beginning June 1, 2019 – the MA spenddown standard for persons with disabilities and seniors from 80% of the Federal Poverty Guidelines to 81%, reducing the spenddown amount for about 11,500 persons by about $10 per month. Appropriates $45,000 for the 2018-19 biennium and $1.5 million for the 2020-21 biennium.
D. **Verification**  
*First Special Session, Chapter 6, Article 4, Sections 65 (SF 2)*  
Omnibus Health and Human Services Finance and Policy Bill  
Uncodified Section  
Effective July 1, 2017  

Requires DHS to terminate coverage for MA enrollees who fail to submit requested verifications within 95 days of coverage approval.

E. **MA for Employed Persons with Disabilities (MA-EPD)**  
*First Special Session, Chapter 6, Article 4, section 23 (SF2)*  
Omnibus Health and Human Services Finance and Policy Bill  
Amends Minn. Stat. § 256B.057, subd. 9  
Effective May 31, 2017  

Adds a definition of “good cause” for purposes of nonpayment of MA-EPD premiums to replace a reference to an obsolete MNCare rule.

F. **Parent Fee Reduction**  
*First Special Session, Chapter 6, Article 7, Section 25 (SF 2)*  
Omnibus Health and Human Services Finance and Policy Bill  
Amends Minn. Stat. § 252.27, subd. 2a  
Effective July 1, 2017  

Reduces parental fees by 13% for families who are over the MA 275% Federal Poverty Level income limit for children who use the TEFRA Option or HCBS disability waiver services. Appropriates $515,000 per year which results in families saving $1,030,000 in parent fees per year because half of the fees parents pay are required to be sent to the federal government.

G. **Claims Against Estates**  
*Regular Session, Chapter 46 (SF 216)*  
Amends Minn. Stat. § 256B.15, subds. 1, 1a, and 2  
Effective May 13, 2017 and applies retroactively to estate claims pending on or after July 1, 2016, and to the estates of people who died on or after July 1, 2016.  

Limits estate recoveries from persons 55 years of age or older to the amount of MA paid for the following services, if rendered prior to January 1, 2014: (1) long-term care services (and related hospital and pharmacy services); (2) institutionalizations; and (3) General Assistance Medical Care. Clarifies that “home and community-based services” includes state funded alternative care services.

*Note: Federal and state law require the DHS and local agencies to recover costs that the MA program paid for enrollees through estate recovery. The enacted statute brings the language in line with the revised state plan approved by the Centers for Medicare and Medicaid Services (CMS).*
H. **Treatment of Trusts**  
*First Special Session, Chapter 6, Article 4, Section 21 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 256B.056, subd. 3b*  
*Effective May 31, 2017*

Cross references 42 U.S.C. 1396p(d), which governs how trusts are treated for MA eligibility. Allows a mentally capable person who is determined to be disabled to establish his or her own special needs trust on or after December 12, 2016, in conformance with new federal law.

II. **BENEFITS-COVERED AND NONCOVERED SERVICES**  
*First Special Session, Chapter 6, Article 1, Sections 5, 11 and 12; Article 4, Sections 26 and 27*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 256B.0625, subds. 1, 3b, and 6a*  
*Various Effective Dates*

A. **Covered Services**

1. **Inpatient Hospital Services**
   Requires the medical review agent to follow industry standard medical necessity criteria when determining for inpatient hospital services whether: (1) the admission is medically necessary; (2) inpatient hospital services provided were medically necessary; (3) the patient’s continued stay was or will be medically necessary; and (4) all medically necessary inpatient hospital services were provided.  
*Amends Minn. Stat. § 256B.0625, subd. 1*  
*Effective July 1, 2017*

2. **Home Health Services Provided in the Community**
   Modifies the MA definition of “home health services” to allow coverage of home health services provided “in the community where normal life activities take the recipient.”  
*Amends Minn. Stat. § 256B.0625, subd. 6a*  
*Effective July 1, 2017*

3. **Telemedicine**
   Allows a mental health practitioner defined under Minn. Stat. § 245.462, subd. 17, or Minn. Stat. § 245.4871, subd. 26, working under the general supervision of a mental health professional, to provide telemedicine services under MA.  
*Amends Minn. Stat. § 256B.0625, subd. 3b*  
*Effective May 31, 2017*
B. **Noncovered Services**

Adds to noncovered services “home health agency services without qualifying documentation of a face-to-face encounter.” Adds new subdivision describing the requirements of a “face-to-face” encounter.

*Amends Minn. Stat. § 256B.0653, subd. 6 (noncovered services)*

*Adds Minn. Stat. § 256B.0653, subd. 7 (“face-to-face encounter” requirements)*

*Effective July 1, 2017*

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III. **DENTAL COVERAGE**

*First Special Session, Chapter 6, Article 4, Sections 38 and 62 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Amends Minn. Stat. § 256B.0644*

*Effective upon receipt of any necessary federal waiver or approval*

Exempts dental providers outside of the seven-county metropolitan area from the requirement (commonly referred to as rule 101) that they participate in MA and MinnesotaCare in order to participate in other state insurance plans and programs. Requires DHS to seek the necessary federal waiver or approval.

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IV. **DURABLE MEDICAL EQUIPMENT**

*First Special Session, Chapter 6, Article 4, Section 64 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Uncodified Section*

*Effective July 1, 2017*

Requires DHS to research the impact of using Medicare payment rates for durable medical equipment and supplies in the MA program and report to the Legislature by January 1, 2019.

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V. **NON-EMERGENCY MEDICAL TRANSPORTATION (NEMT)**

A. **Managed Care**

*First Special Session, Chapter 6, Article 4, Section 32 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Amends Minn. Stat. § 256B.0626, subd. 18h*

*Effective July 1, 2017*

1. **Managed Care and County-Based Purchasing Compliance**

Lists the MA provisions related to NEMT with which managed care organizations and county-based purchasing plans must comply.
2. **NEMT Provider Compliance**
   Requires an NEMT Provider to comply with Department of Transportation provisions: (1) Minn. Stat. § 174.29 (coordination of special transportation service); (2) Minn. Stat. § 174.30 (operating standards for special transportation service); and (3) implementing rules.

B. **Nursing Facilities**

*First Special Session, Chapter 6, Article 4, Section 31 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Adds Minn. Stat. § 256B.0625, subd. 17c*

*Effective July 1, 2017*

Exempts from a level of need determination and makes eligible for nonemergency medical transportation services an MA enrollee residing in, or being discharged from, a licensed nursing facility—until the enrollee no longer resides in a licensed nursing facility.
MENTAL HEALTH

I. ADULT MENTAL HEALTH ACT

A. “Diagnostic Assessment”
   First Special Session, Chapter 6, Article 8, Section 1 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Amends Minn. Stat. § 245.462, subd. 9
   Effective July 1, 2017

   1. Cross-Reference to Minnesota Rules
      Cross-references Minn. R., part 9505.0370, subpart 11, and Minn. R., part
      9505.0372, subpart 1, items A, B, C, and E.

   2. Eligibility
      Provides that, notwithstanding Minnesota Rules, a client is eligible for: (1) up to
      three individual or family psychotherapy sessions or family psychoeducation
      sessions (or a combination not to exceed three sessions) prior to completion of a
      client’s initial diagnostic assessment, but in conjunction with the diagnostic
      assessment process; and (2) psychological testing as part of the diagnostic
      process prior to completion of a client’s initial diagnostic assessment.

   3. Use of Brief Diagnostic Assessment for Family Requiring Interpreter
      Provides that, notwithstanding Minnesota Rules, a brief diagnostic assessment
      may be used for a client’s family who requires a language interpreter to
      participate in the assessment.

   4. Clarification of Components of Diagnostic Assessment
      Provides that diagnostic assessment includes a standard, extended, or brief
      diagnostic assessment, or an adult update.

   5. Requirements of Brief Diagnostic Assessment
      Requires a brief diagnostic assessment include a: (1) face-to-face interview with
      the client; and (2) a written evaluation of the client by a mental health
      professional or a clinical trainee.

B. “Mental Health Practitioner”
   Regular Session, Chapter 79, Section 1 (HF 1186)
   Amends Minn. Stat. § 245.462, subd. 17
   Effective August 1, 2017

   Adds a person with a bachelor’s degree in behavioral sciences or related fields who is
   working in a day treatment program under Minn. Stat. § 245.4712, subd. 2, to the
   definition of “Mental Health Practitioner.”
II. **ASSERTIVE COMMUNITY TREATMENT**  
*First Special Session, Chapter 6, Article 8, and Article 18 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Appropriations Section*  
*Effective July 1, 2017*

Provides $400,000 for the SFY 2018-19 biennium ($200,000 per year) additional funding for adult mental health grants to expand the community treatment services.

III. **CHILDREN WITH SEVERE EMOTIONAL DISTURBANCES**  
*First Special Session, Chapter 6, Article 8, Section 71 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 256B.0945, subd. 2*  
*Effective May 31, 2017*

Provides that MA covers mental health services provided to children with severe emotional disturbance in a residential facility determined by the Centers for Medicare & Medicaid Services to be an institution for mental diseases.

IV. **CHILDREN’S INTENSIVE MENTAL HEALTH RESIDENTIAL TREATMENT**  
*First Special Session, Chapter 6, Article 2, Sections 68-70, 74 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. §§ 256B.0625, subd. 45a; 256B.0941; and 256B.0943, subd. 13*  
*Effective July 1, 2017*

Provides state funding to substitute for loss of federal funds for children’s residential mental health treatment programs that will become ineligible for MA due to institutions for mental disease status. Replaces lost federal funding from July 1, 2017 until May 1, 2019 and prohibits any new residential treatment programs which would be considered IMD due to having more than 16 beds during this period. Requires DHS to develop recommendations to redesign intensive mental health services for children and adolescents and report to the Legislature by November 15, 2018.

V. **CHILDREN’S MENTAL HEALTH ACT**

A. **Restrictive Procedures**  
*Regular Session, Chapter 79, Section 3 (HF 1186)*  
*Amends Minn. Stat. § 245.8261, subd. 4*  
*Effective August 1, 2017*

Modifies who is permitted to impose restrictive procedures when providing children’s mental health services to program staff who have completed the required training.
B. Definitions

1. “Diagnostic Assessment”

First Special Session, Chapter 6, Article 8, Section 4 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245.4871, subd. 11a
Effective July 1, 2017

   a. Cross-Reference to Minnesota Rules
      Cross-references Minn. R., part 9505.0370, subpart 11, and Minn. R., part 9505.0372, subpart 1, items A, B, C, and E.

   b. Eligibility
      Provides that, notwithstanding Minnesota Rules, a client is eligible for: (1) up to three individual or family psychotherapy sessions or family psychoeducation sessions (or a combination not to exceed three sessions) prior to completion of a client's initial diagnostic assessment, but in conjunction with the diagnostic assessment process; and (2) psychological testing as part of the diagnostic process prior to completion of a client's initial diagnostic assessment.

   c. Clarification of Components of Diagnostic Assessment
      Provides that diagnostic assessment includes a standard, extended, or brief diagnostic assessment, or an adult update.

   d. Requirements of Brief Diagnostic Assessment
      Requires a brief diagnostic assessment include a: (1) face-to-face interview with the client; and (2) a written evaluation of the client by a mental health professional or a clinical trainee.

C. “Functional Assessment”

First Special Session, Chapter 6, Article 8, Section 5 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 245.4871, subd. 18a
Effective July 1, 2017

Defines "functional assessment" to mean an assessment by the case manager of the child's: (1) mental health symptoms and needs as presented in the child's diagnostic assessment; (2) use of drugs and alcohol; (3) vocational, educational, interpersonal, and social functioning (including the use of leisure time and relationships with the child's family); (4) self-care and independent living capacity; (5) medical and dental health; (6) financial assistance, housing, transportation needs; and (7) other problems.
D. **“Mental Health Practitioner”**
*Regular Session, Chapter 79, Section 2 (HF 1186)*
*Amends Minn. Stat. § 245.4871, subd. 26*
*Effective August 1, 2017*

Enumerates “related fields” in which a “Mental Health Practitioner” must hold a Bachelor’s Degree to include: (1) social work; (2) psychology; (3) sociology; (4) community counseling; (5) family social science; (6) child development/child psychology; (7) community mental health; (8) addiction counseling; (9) counseling or guidance; and (10) special education. Specifies that the list is not exclusive.

VI. **CHILDREN’S MENTAL HEALTH GRANTS**
*First Special Session, Chapter 6, Article 8, Section 7 (SF 2)*
*Omnibus Health and Human Services Finance and Policy Bill*
*Amends Minn. Stat. § 245.4889, subd. 1*
*Various Effective Dates*

A. **For Transportation**
Makes transportation for children receiving school-linked mental health services when school is not in session an eligible service.
*Amends Minn. Stat. § 245.4889, subd. 1(8)*
*Effective August 1, 2017*

B. **For Start-Ups**
Makes start-up funding to establish new children’s health programs to support providers to meet program requirements and begin operations an eligible grant activity.
*Adds Minn. Stat. § 245.4889, subd. 1(17)*
*Effective May 31, 2017*

VII. **CIVIL COMMITMENT**
*Regular Session, Chapter 85 (HF 827)*
*Amends Minn. Stat. § 253B.05, subd. 3*
*Effective May 24, 2017*

Limits the requirement to notify the responsible local agency when a is discharged or released during the 72-hour period to require compliance by requiring that the notice does not violate federal law governing alcohol and drug abuse patient record confidentiality.
VIII. FIRST PSYCHOTIC EPISODE FUNDING

First Special Session, Chapter 6, Article 18, Section 2, subd. 31 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Appropriations Rider
Effective July 1, 2017

Increases grant funding for first episode psychosis programs to provide intensive treatment and supports to adolescents and adults experiencing or at risk of a first psychotic episode using outreach, screening and best practices to address barriers to treatment.

IX. MENTAL HEALTH INNOVATION GRANTS

First Special Session, Chapter 6, Article 8, Section 2 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 245.4662, subds. 1, 2, 3, and 4
Effective July 1, 2017

Appropriates $2 million for the SFY 2018-19 biennium ($1 million per year) for a new grant program for community-based services aimed at reducing enrollment in state operated programs in institutions and community behavioral health hospitals. Defines “eligible applicant” to mean “an eligible county, Indian tribe, mental health service provider, hospital, or community partnership.” Uses revenue from county payments for their share of costs for unnecessary length of stays in institutional settings. Requires report to the Legislature on grant projects by December 2019.

X. “MENTAL HEALTH PRACTITIONER” DEFINITION

Regular Session, Chapter 79, Sections 1 and 2 (HF 1186)
Amends Minn. Stat. §§ 245.462, subd. 17; and 245.4871, subd. 26
Effective August 1, 2017

A. Adult Mental Health Act
Adds a person with a bachelor’s degree in behavioral sciences or related fields who is working in a day treatment program under Minn. Stat. § 245.4712, subd. 2, to the definition of “Mental Health Practitioner.”
Amends Minn. Stat. § 245.462, subd. 17

B. Children’s Mental Health Act
Enumerates “related fields” in which a “Mental Health Practitioner” must hold a Bachelor’s Degree to include: (1) social work; (2) psychology; (3) sociology; (4) community counseling; (5) family social science; (6) child development/child psychology; (7) community mental health; (8) addiction counseling; (9) counseling/guidance; and (10) special education. Specifies that the list is not exclusive.
Amends Minn. Stat. § 245.4871, subd. 26
XII. PROTECTION FOR PERSONS WITH ALZHEIMER'S DISEASE OR A RELATED DEMENTIA
First Special Session, Chapter 6, Article 10, Section 146 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Directs the Department of Health to work with interested stakeholders to evaluate whether existing laws (including laws governing housing with services establishments, board and lodging establishments with special services, assisted living designations, and home care providers), building code requirements, and landlord tenancy laws sufficiently protect the health and safety of persons diagnosed with Alzheimer's disease or a related dementia.

XIII. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY SERVICES FOR PERSONS UNDER 21 (PRTF)
First Special Session, Chapter 6, Article 8, Sections 68 - 70 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. §§ 256B.0625, subd. 45a; and 256B.0943, subd. 13
Adds Minn. Stat. § 256B.0941
Effective May 31, 2017

A. Eligibility
Requires an individual who is eligible for mental health treatment services in a psychiatric residential treatment facility to: (1) have services determined to be medically necessary; (2) be younger than 21 at the time of admission; (3) have a mental health diagnosis, as well as clinical evidence of severe aggression, or a finding that the individual is a risk to self or others; (4) have functional impairment and a history of difficulty in functioning safely and successfully in the community, school, home, or job, an inability to adequately care for her/his physical needs; or be in a situation where others are unable to safely fulfill the individual's needs; (5) require psychiatric residential treatment; (6) have utilized and exhausted other community-based mental health services, or clinical evidence indicates that such services cannot provide the level of care needed; and (7) be referred for treatment in a psychiatric residential treatment facility by a qualified mental health professional licensed.

B. Services
Enumerates the services a psychiatric residential treatment facility service provider must: (1) offer; and (2) have the capacity to provide.

Additional notes:
- Adds Minn. Stat. § 256B.0941, subd. 1
- Adds Minn. Stat. § 256B.0941, subd. 2
C. **Leave Days**
Provides that MA covers therapeutic and hospital leave days, provided the recipient: (1) was not discharged from the psychiatric residential treatment facility; and (2) is expected to return to the psychiatric residential treatment facility. Requires a reserved bed to be held for a recipient on hospital leave or therapeutic leave. Provides that a therapeutic leave day to home must be used to prepare for discharge and reintegration. Defines a hospital leave day as a day for which a recipient has been admitted to a hospital for medical or acute psychiatric care and is temporarily absent from the psychiatric residential treatment facility.

*Adds Minn. Stat. § 256B.0941, subd. 4*

D. **MA Coverage Generally**
Clarifies that MA covers psychiatric residential treatment facility services according to the new Minn. Stat. § 256B.0941. Adds PRTF as a part of Children’s Therapeutic Services and Supports which qualify for MA coverage.

*Amends Minn. Stat. §§ 256B.0625, subd. 45a; and 256B.0943, subd. 13*

### XIV. QUALITY OF SERVICES – DIAGNOSTIC ASSESSMENT
*First Special Session, Chapter 6, Article 8, Section 6 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Adds Minn. Stat. § 245.4876, subd. 2*

*Effective July 1, 2017*

Eliminates the requirement for outpatient services for children complete a diagnostic assessment within the earlier of five days after the child's second visit or 30 days after intake.

### XV. RENTAL ASSISTANCE FOR PERSONS WITH MENTAL ILLNESS
*Regular Session, Chapter 94, Article 1, Section 3 subd. 4 (SF 1456)*

*Omnibus Jobs and Economic Development Finance and Policy Bill*

*Effective July 1, 2017*

Appropriates $8,176,000 for the SFY 2018-19 biennium ($4,088,000 each year) to the Minnesota Housing Finance Agency (MHFA) for the Rental Housing Assistance Program for Persons with a Mental Illness or families with an adult member with a mental illness, under Minn. Stat. § 462A.2097. Requires MHFA to prioritize proposals that target eligible persons who desire to move to more integrated, community-based settings.
XVI. **STUDY AND REPORT ON CHILDREN'S MENTAL HEALTH**  
First Special Session, Chapter 6, Article 8, Section 74 (SF 2)  
Omnibus Health and Human Services Finance and Policy Bill  
Uncodified Section  
Effective July 1, 2017

Requires DHS to: (1) conduct a comprehensive analysis of Minnesota’s continuum of intensive mental health services; (2) develop recommendations for a sustainable and community-driven continuum of care for children with serious mental health needs, including children currently being served in residential treatment; and (3) submit a report to a report with specific recommendations and timelines for implementation to the Legislature by November 15, 2018.

XVII. **TARGETED CASE MANAGEMENT**  
First Special Session, Chapter 6, Article 4, Sections 25, 34, and 44 (SF 2)  
Omnibus Health and Human Services Finance and Policy Bill  
Amends Minn. Stat. § 256B.0621, subd. 4a  
Effective July 1, 2017

Allows interactive video (ITV) will be paid for by targeted case management services for persons who reside in a hospital, nursing facility, or residential setting.
MINNESOTACARE

I. COVERED SERVICES
First Special Session, Chapter 6, Article 4, Section 56 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256L.03, subd. 1a
Effective July 1, 2017

Eliminates Minnesota Care coverage for special education services.

II. ELIGIBILITY
First Special Session, Chapter 6, Article 4, Section 55 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256L.03, subd. 1
Effective July 1, 2017

Defines “child” as an individual younger than 19 years of age.

III. PREMIUM SCALE
First Special Session, Chapter 6, Article 4, Section 60 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 256L.15, subd. 2
Effective August 1, 2017

Makes technical changes to the MinnesotaCare premium sliding fee.
MISCELLANEOUS

I. ARCHITECTURAL BARRIERS --- REQUIREMENTS FOR LEGAL ACTION

Regular Session, Chapter 80 (HF 1542)
Amends Minn. Stat. §§ 363A.28, subd. 3; and 363A.331, subds. 2(a) and 5
Adds Minn. Stat. § 363A.331, subds. 2(c) and (d); 2a
Effective May 24, 2017 and applies to civil actions for violations of accessibility requirements under law brought on or after that date.

A. Mandatory Pre-Litigation Notice of Architectural Barrier

1. Notice Requirement
   Makes mandatory what had been a voluntary a notice (demand letter) alleging violation(s) of Minnesota Human Rights Act (MHRA) or the Americans with Disabilities Act (ADA) sections requiring removal of physical barriers to access in public accommodations.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

2. Applicability
   Makes the requirement to provide mandatory notice applicable to persons alleging a violation of the MHRA or ADA if the person is: (1) an attorney; (2) represented by an attorney.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

3. Response Time
   Extends the mandatory response period that must be provided in the mandatory notice from at least 30 days to at least 60 days.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

4. Action Prohibited During Notice Period
   Expressly prohibits a civil action from being brought during the notice period. Expressly permits a civil action to be brought after the expiration of the notice period.
   Adds Minn. Stat. § 363A.331, subd. 2(c)

5. Extension for Weather
   Extends the response period in the notice and the ban on bringing a civil action for an additional 30 days if, within the initial 60-day response time provided/required in the notice, the business: (1) indicates in writing an intent to remove the barrier; (2) demonstrates that weather prevents a timely removal; (3) specifies in writing the steps that will be taken to remove the barrier; and (4) specifies in writing the date by which the barrier will be removed.
   Adds Minn. Stat. § 363A.331, subd. 2(d)
B. When Pro Se Plaintiff Retains an Attorney Within 60 Days After Bringing a Civil Action

1. If Civil Action Already Filed with Court
Requires, where a pro se plaintiff retains an attorney within 60 days of serving a complaint and filing an action alleging a violation of accessibility requirements under law, the retained attorney to provide a dated notice of architectural barrier to the business, which must: (1) cite the law alleged to be violated; (2) identify each architectural barrier that is the subject of an alleged violation; (3) specify the location on the premises of each alleged violation; (4) provide the portion of the statutory form notice under Minn. Stat. § 363A.331, subd. 3 offering a referral to the Minnesota Council on Disability and noting the availability of accessibility audits; (5) provide an additional 60 days after the date of the notice or service of the complaint for the defendant to serve an answer or amend a previous answer to the complaint.

_Adds Minn. Stat. § 363A.331, subd. 2a_

2. If Civil Action Has Not Yet Been Filed with Court

a. Notice Required
Requires, where a pro se plaintiff retains an attorney within 60 days of serving a complaint but has not yet filed an action alleging a violation of accessibility requirements under law, the retained attorney must provide a dated notice of architectural barrier to the business, which must: (1) cite the law alleged to be violated; (2) identify each architectural barrier that is the subject of an alleged violation; (3) specify the location on the premises of each alleged violation; (4) provide the portion of the statutory form notice under Minn. Stat. § 363A.331, subd. 3 offering a referral to the Minnesota Council on Disability and noting the availability of accessibility audits; (5) provide an additional 60 days after the date of the notice or service of the complaint for the defendant to serve an answer or amend a previous answer to the complaint.

Adds Minn. Stat. § 363A.331, subd. 2a

b. Waiting Period to File
Prohibits an attorney retained by a pro se plaintiff alleging a violation of accessibility requirements under law within 60 days of the service of the summons and complaint by the pro se plaintiff but before its filing with the court from filing the action until expiration of the time provided for in the notice.

Adds Minn. Stat. § 363A.331, subd. 2a
c. **Stay of Answer Period**

Stays the time period for serving an answer to the complaint under Rule 12 of the Minnesota Rules of Civil Procedure and the proceedings for the period of time specified in the notice where an attorney is retained by a pro se plaintiff alleging a violation of accessibility requirements under law within 60 days of the service of the summons and complaint by the pro se plaintiff but before its filing with the court.

*Adds Minn. Stat. § 363A.331, subd. 2a*

C. **Modified Exemptions**

1. **Exemptions from Notice**

Clarifies that pro se plaintiffs who themselves are attorneys are subject to the mandatory notice requirement.

*Amends Minn. Stat. § 363A.331, subd. 5*

2. **Claims for Injury**

Effectively provides clarity with respect to options to claim physical and/or emotional injury for claims of denial of access. Clarifies that a person can either: (1) bring a common law tort claim for damages (and thus forgo the ability to seek attorneys’ fees under the MHRA); or (2) bring a claim for damages under the Minnesota Human Rights Act and comply with the pre-litigation notice requirement and 60-day waiting period (and thus utilize the provision under the MHRA allowing for attorneys’ fees for the prevailing party).

*Amends Minn. Stat. § 363A.331, subd. 5*

II. **CENTERS FOR INDEPENDENT LIVING**

*Regular Session, Chapter 94, Article 1, Section 2 (c) (SF 1456)*

*Omnibus Jobs and Economic Development Finance and Policy Bill*

*Effective July 1, 2017*

Appropriates $6,022,000 for the SFY 2018-19 biennium ($3,011,000 each year) to the Department of Employment and Economic Development for grants to Centers for Independent Living under the existing program under Minn. Stat. § 268A.11.

III. **CRIMINAL BACKGROUND CHECKS FOR CERTAIN HEALTH PROFESSIONALS**

*First Special Session, Chapter 6, Article 10, Section 56 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Adds Minn. Stat. § 144.0572*

*Effective July 1, 2017*

Establishes criminal history background check requirements for: (1) audiologists; (2) speech-language pathologists; and (3) hearing instrument dispensers.
IV. MALTREATMENT INVESTIGATIONS AND PREVENTION STAKEHOLDER CONSULTATIONS
First Special Session, Chapter 6, Article 10, Section 142 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Uncodified Section
Effective July 1, 2017

Requires the Department of Health to consult with interested stakeholders to consider:
(1) systems improvements in processes used by the Office of Health Facility Complaints
to investigate reports of maltreatment of vulnerable adults received by the office and
processes used to report maltreatment to the office; and (2) options for implementing
prevention strategies, alternative reporting approaches, and proven patient safety and
quality improvement practices and infrastructure for long-term care services and
supports.

V. MALTREATMENT IN DHS LICENSED FACILITIES
First Special Session, Chapter 6, Article 9, Section 8 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 245A.07, subd. 3
Effective August 1, 2017

Modifies DHS licensing act to increase the fines for determinations of serious maltreatment to
$5,000. Establishes a fine of $1,000 for each determination of maltreatment for a program
operating through a license holder’s home or family day care program through Minnesota
Rules.

VI. MALTREATMENT INVESTIGATION IN DEPARTMENT OF CORRECTIONS FACILITIES
First Special Session Chapter 6, Article 9, Section 11 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 626.556, subd. 3c
Effective July 1, 2017

Requires investigations of maltreatment in Corrections licensed children’s residential facilities
to be conducted by the Department of Human Services Licensing Division.
VII. OFFICE OF THE OMBUDSMAN FOR MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES
   First Special Session, Chapter 6, Article 8, Sections 8–11 and Article 18, Section 7 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Amends Minn. Stat. §§ 245.91, subds. 4 and 6; 245.94, subd. 1; and 245.97, subd. 6
   Effective May 31, 2017

A. Mental Health/DD Ombudsman Authority
   Makes changes to the definition of “serious injury,” clarifies status of the Ombudsman as a health oversight agency, expands the definition of facilities or programs to include facilities or programs regulated by the commissioners of health and education, and allows Ombudsman to use photo and video in investigations with client consent.

B. New Authority to Monitor University of Minnesota – Department of Psychiatry
   Appropriates $100,000 per year for the biennium for monitoring the University of Minnesota’s Department of Psychiatry.

VIII. SELF-ADVOCACY FUNDING
   First Special Session, Chapter 6, Article 1, Section 4 and Article 18, Section 2, subd. 29(b) and (c) (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Adds Minn. Stat. § 256.477
   Appropriation Riders
   Effective July 1, 2017

Codifies provisions governing a grant to a self-advocacy organization governed by persons with intellectual and developmental disabilities to promote and maintain a statewide self-advocacy network for peer-led training on rights, service options and self-advocacy throughout the state. Appropriates $248,000 per year for the SFY 2018-19 biennium. Designates $105,000 per year of this appropriation for grants targeting peer-led training to help persons understand their options for community services related to housing, employment, education, transportation and other opportunities.

IX. DHS STUDY OF ADULT DAY SERVICES MODELS
   First Special Session, Chapter 6, Article 3, Section 47 (SF 2)
   Omnibus Health and Human Services Finance and Policy Bill
   Uncodified Section
   Effective July 1, 2017

Directs DHS to: (1) study existing adult day services models, including: (i) resident acuity; (ii) staffing and support levels; and (iii) quality assurance; (2) project future demand for adult day services; and (3) report to the Legislature by January 1, 2019.
X. **SELF-DIRECTED CAREGIVER GRANTS**

*First Special Session, Chapter 6, Article 3, Section 7 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Adds Minn. Stat. § 256.975, subd. 12*  
*Effective July 1, 2017*

Eliminates requirement for a client assessment when the case manager determines there has a significant change in a client’s functioning, leaving the every-12-month assessment requirement intact. Requires the lead agency to conduct a change-in-condition assessment before the annual reassessment where a client's condition changed due to: (1) a major health event; (2) an emerging need or risk; (3) worsening health condition; or (4) cases where the current services do not meet the client's needs. Provides that a change-in-condition reassessment may be: (1) initiated by the lead agency; or (2) requested by the client or requested on the client's behalf by another party, such as a provider of services. Requires the lead agency to expedite urgent requests.

XI. **SENIOR LINKAGE LINE**

*First Special Session, Chapter 6, Article 3, Section 6 (SF 2)*  
*Omnibus Health and Human Services Finance and Policy Bill*  
*Amends Minn. Stat. § 256.975, subd. 7*  
*Effective July 1, 2017*

Limits services to current residents or patients of nursing homes deemed appropriate for discharge who are either: (1) at risk of readmission to a nursing home or hospital; or (2) would benefit from long-term care options counseling to age in place.

XII. **PRESCRIBED PEDIATRIC EXTENDED CARE CENTERS (PPEC)**

*First Special Session, Chapter 6, Article 10, Sections 75 - 94 (SF 2)*  
*Adds Chapter 144H (Minn. Stat. §§ 144H.01 - 144.20)*  
*Effective July 1, 2017*

Adds a new chapter of law licensing prescribed pediatric extended care centers for medically complex or technology-dependent children for basic care services up to 14 hours per day, 6 days per week, for up to 45 children. Establishes requirements for licensing, admission and discharge, medical records and compliance with other laws and rules. Appropriates $81,000 for the 2018-19 biennium from the state government special revenue fund for the licensure of PPECC.
STATE-OPERATED PROGRAMS

I. ANOKA METRO REGIONAL TREATMENT CENTER (AMRTC)
First Special Session, Chapter 8, Article 1 Section 17, subd. 4(HF 5)
Bonding Bill
Bonding Appropriation
Effective July 1, 2017

Authorizes $2.250 million for security upgrades and campus wide video electronic monitoring and personal safety alert systems at AMRTC.

II. CHILD ADOLESCENT AND BEHAVIORAL HEALTH SERVICES (CABHS)
First Special Session, Chapter 6, Article 18, Section 2, subd. 34(a) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
First Special Session, Chapter 8, Article 1 (HF 2) (Bonding Bill)
Appropriations Section
Effective July 1, 2017

Provides $896,000 for the operation of the CABHS program in Willmar which serves an average of four children for a per diem of $3,933. Authorizes $7.53 million in bonding to build a new 16-bed facility in Willmar.

III. LOCATION OF PROGRAMS
First Special Session, Chapter 6, Article 6, Section 1 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Adds Minn. Stat. § 252.50, subd. 5
Effective July 1, 2017

Requires DHS, when determining the location of state-operated, community-based programs, to: (1) prioritize beds for individuals with complex behavioral needs not met by private community-based providers; and (2) take into account individual choices to move to more integrated settings.

IV. MINNESOTA SECURITY HOSPITAL (MSH)
First Special Session, Chapter 6, Article 18, Section 2, subd. 34(a) (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
First Special Session, Chapter 8, Article 1 (HF 5) (Bonding Bill)
Effective July 1, 2017

A. Renovations at MSH
Appropriates $70.255 million for renovations at MSH.
Regular Session, Chapter 8, Article 1 (HHS Bill)
B. **Staff Increases at St. Peter Programs**

Provides $22.8 Million for the SFY 2018-19 SFY 2018-19 biennium and $35.4 Million for the 2020-21 SFY 2018-19 biennium to increase staffing at all St. Peter programs, including the sex offender program, competency restoration and for those committed as mentally ill and dangerous.

*First Special Session, Chapter 6, Article 18 (Bonding Bill)*

V. **MINNESOTA STATE OPERATED COMMUNITY SERVICES (MSOCS) SUSTAINABILITY**

*First Special Session, Chapter 6, Article 18, Section 2, subd. 35(b) (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Appropriations Rider*

*Effective July 1, 2017*

Provides: (1) $10.3 million for MSOCS operating and start-up expenses for the SFY 2018-19 SFY 2018-19 biennium; and (2) $3.6 million for the 2020-21 SFY 2018-19 biennium for similar purposes.

VI. **REVIEW OF ALTERNATIVES TO ONE-PERSON GROUP HOMES**

*First Special Session, Chapter 6, Article 6, Section 3 (SF 2)*

*Omnibus Health and Human Services Finance and Policy Bill*

*Uncodified Section*

*Effective July 1, 2017*

Directs DHS to review (with input from stakeholders) the potential for, and the viability of, alternatives to state-operated group homes housing one person with the intent is to create housing options for individuals who do not belong in an institutionalized setting, but need additional support before transitioning to a more independent community placement. Requires a report to the Legislature by January 15, 2018.
**Acronyms Used in this Section**

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<td>EW</td>
<td>Elderly Waiver</td>
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<tr>
<td>HCBS</td>
<td>Home and Community-Based Services Waiver</td>
</tr>
<tr>
<td>ICF/DD</td>
<td>Intermediate Care Facility for Persons with Developmental Disabilities</td>
</tr>
<tr>
<td>LTSS</td>
<td>Long-Term Care Supports and Services</td>
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<tr>
<td>MA</td>
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<tr>
<td>MA-EPD</td>
<td>Medical Assistance for Employed Persons with Disabilities</td>
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<td>MSA</td>
<td>Minnesota Supplemental Assistance</td>
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<td>MSH</td>
<td>Minnesota Security Hospital</td>
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<td>MSOCS</td>
<td>Minnesota State Operated Community Services</td>
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<tr>
<td>PRTF</td>
<td>Psychiatric Residential Treatment for Persons under Age 21</td>
</tr>
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<td>SFY</td>
<td>State Fiscal Year</td>
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I. CONDOMINIUM ASSOCIATION CONSTRUCTION DEFECT CLAIMS

*Regular Session, Chapter 87 (HF 1538)*

Amends Minn. Stat. §§ 515B.1-103; 515B.3-102; 515B.3-107; 515B.4-1021; 515B.4-113; and 515B.4-116

*Various Effective Dates*

Amends the Minnesota Common Interest Ownership Act (Chapter 515B), for design and construction defect claims: (1) require a majority vote of the unit owners in a condominium property in order for the condominium association to proceed with a lawsuit or arbitration; (2) eliminate liability for noncompliance of the association or a unit owner with maintenance requirements; (3) require pre-litigation mediation; and (4) by January 1, 2019, require the association to develop a maintenance plan.

A. **Key Definitions**

1. **“Construction Defect Claim”**
   Defines “construction defect claim” to mean “a civil action or an arbitration proceeding asserting a defect against virtually any party involved in the initial design or construction of a common ownership community. Expressly excludes claims related to subsequent maintenance, repairs, alterations, or modifications, contracted either by the condo association or a unit owner.”
   *Amends Minn. Stat. § 515B.1-103 by adding clause 11a*
   *Effective August 1, 2017*

2. **“Development Party”**
   Defines “development party” to mean “an architect, contractor, construction manager, subcontractor, developer, declarant, engineer, or private inspector performing or furnishing the design, supervision, inspection, construction, coordination, or observation of the construction of any improvement to real property that is part of a common interest community.” Includes “affiliates, officers, directors, shareholders, members, or employees.”
   *Amends Minn. Stat. § 515B.1-103 by adding clause 16a*
   *Effective August 1, 2017*
B. Notice to and Approval of Unit Owners Required Before Bringing Defect Claims

1. Notice
   Requires a condo association, before initiating litigation or arbitration involving a construction defect claim, to provide written notice of the anticipated action to each unit owner, specifying: (1) the nature of the construction defect alleged; (2) the relief sought; and (3) how the association proposes to fund the lawsuit.
   Amends Minn. Stat. § 515B.3-102 by adding paragraph (d)(1)
   Effective August 1, 2017

2. Approval
   Requires a condo association, before initiating litigation or arbitration involving a construction defect claim, to obtain the approval of a majority of unit owners allocated votes in the condominium association, excluding votes of: (1) a builder or owner (“declarant”) or affiliate; and (2) a mortgagee who obtained ownership of a unit through a foreclosure sale.
   Amends Minn. Stat. § 515B.3-102 by adding paragraph (d)(2)
   Effective August 1, 2017

C. Notice to and Approval of Unit Owners Required Before Intervention as Third Party
   Requires a condo association, before intervening as a third party in a construction defect claim action by complaint or the assertion of a counterclaim, crossclaim, or third-party claim, to, within 90 days of commencement of its action, provide the required notice to and obtain the approval of a majority of the unit owners.
   Amends Minn. Stat. § 515B.3-102 by adding paragraph (e)
   Effective August 1, 2017

D. Limitation of Liability of Implied Warranties
   Specifies that damages to common areas or individual units “resulting from the unit owner's or association's lack of maintenance or failure to perform necessary repairs or replacement” are included in the existing “acts and omissions” that are the responsibility of the association or unit owner. Eliminates liability for a development party in a breach of implied warranty claims for the failure of association or unit owner to comply with: (1) the obligation to perform necessary repairs or replacement; or (2) the requirements involving maintenance plans and schedules.
   Amends Minn. Stat. § 515B.3-107 (specifying responsibility for damages)
   Amends Minn. Stat. § 515B.4-113 by adding paragraph (h) (eliminating liability)
   Effective August 1, 2017
E. **Maintenance Plan and Schedule Required**
Requires a condominium association to prepare, approve, follow, and provide each unit owner with a written preventative maintenance plan and schedule.
Amends Minn. Stat. § 515B.3-107
Effective January 1, 2019 for all common interest communities created on or before August 1, 2017.

F. **Pre-Litigation Mediation Required**

1. **Mediation a Condition Precedent to Litigation**
   Makes it a condition precedent for parties in a construction defect claim to go through mediation by “a mutually agreeable third party” prior to the initiation of a lawsuit or arbitration proceeding. Allows the parties to petition the Minnesota Supreme Court to appoint a mediator if there is no mutual agreement on one.
   Amends Minn. Stat. § 515B.4-116 by adding new paragraph (c)
   Effective August 1, 2017

2. **Tolling of Statute of Limitations and Statute of Repose**
   Tolls the statute of limitations and statute of repose for a breach of warranty or any other action in tort, contract, or injury to person or property (including bodily injury or wrongful death) from the date any party makes a written demand for mediation to the later of: (1) five business days after completion of the mediation; or (2) 180 days.
   Amends Minn. Stat. § 515B.4-116 by adding new paragraph (c)
   Effective August 1, 2017

3. **Exception**
   Provides that pre-litigation mediation is not required if the parties have completed home warranty dispute resolution under Minn. Stat. § 327A.051.
   Amends Minn. Stat. § 515B.4-116 by adding new paragraph (c)
   Effective August 1, 2017
II. HOUSING WITH SERVICES

A. Contracts

1. **Notice of Modification or Termination**  
   *First Special Session, Chapter 6, Article 10, Section 73 (SF 2)*  
   *Omnibus Health and Human Services Finance and Policy Bill*  
   *Amends Minn. Stat. § 144D.04, subd. 2*  
   *Effective July 1, 2017*

   Requires Housing with Services contracts to include conspicuous notice of the circumstances under which a tenant’s contract may be: (1) modified (including requiring the tenant to move to a different room or share a room); or (2) terminated.

2. **Notice of Rights**  
   *First Special Session, Chapter 6, Article 2, Section 2 (SF 2)*  
   *Omnibus Health and Human Services Finance and Policy Bill*  
   *Adds Minn. Stat. § 144D.04, subd. 2a*  
   *Effective May 31, 2017*

   1. **Right to Lockable Door**  
      Requires contracts with resident receiving one or more health-related services from the establishment’s arranged home care provider to include notice regarding the resident’s right to a lockable door to the resident’s unit. Requires landlords to provide the locks on the unit. Restricts possession of keys to only a staff member with a specific need to enter the unit. Requires advance notice to resident before entrance, when possible.

   2. **Other Rights**  
      Requires contracts with resident receiving one or more health-related services from the establishment’s arranged home care provider to include notice regarding the resident’s: (1) ability of a resident to furnish and decorate the resident’s unit within the terms of the lease; (2) right to access food at any time; (3) right to choose the resident’s visitors and times of visits; (4) right to choose a roommate if sharing a unit.

   3. **Restriction of Rights**  
      Allows a restriction of a resident’s rights only if determined necessary for health and safety reasons identified by the home care provider’s registered nurse in an initial assessment or reassessment, and documented in the written service and in the resident’s coordinated service and support plan (CSSP).
B. Exemption from Board and Lodge Licensing
First Special Session, Chapter 6, Article 10, Section 74 (SF 2)
Omnibus Health and Human Services Finance and Policy Bill
Amends Minn. Stat. § 144D.06
Effective August 1, 2017

Exempts Housing with Services establishments from being required to obtain a lodging license under Chapter 157.

III. INTERIM HOUSING ORDINANCES
Regular Session, Chapter 94, Article 11, Section 3 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Adds Minn. Stat. § 462.355, subd. 4
Effective for interim ordinances proposed on or after August 1, 2017

Limits the adoption by a statutory or home rule charter city of an interim ordinance that regulates, restricts, or prohibits a “housing proposal” only if: (1) the ordinance is approved by majority vote of all members of the City Council; and (2) before adopting the interim ordinance, holds a public hearing after providing written notice to any person who has: (1) submitted a housing proposal; (2) a pending housing proposal; or (3) provided a written request to be notified of interim ordinances related to housing proposals. Defines “housing proposal” to mean a “request for city approval of a project intended primarily to provide residential dwellings, either single family or multi-family, and involves the subdivision or development of land or the demolition, construction, reconstruction, alteration, repair, or occupancy of residential dwellings.”

IV. MANUFACTURED HOME PARK REDEVELOPMENT PROGRAM
Regular Session, Chapter 94, Article 11, Section 6 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Amends Minn. Stat. § 62A.204, subd. 8
Effective August 1, 2017

Adds nonprofit organizations and cooperatives (created under Minnesota Statutes, Chapter 308A or 308B) to the list of entities eligible for manufactured home park redevelopment grants or loans under Minnesota’s Manufactured Home Park Redevelopment Program, administered by the Minnesota Housing Finance Agency. Specifies that grant funds may be used: (1) to make improvements in manufactured home parks; and (2) for infrastructure, including storm shelters and community facilities.
V. HOMELESSNESS/SCHOOL STABILITY PROGRAM

Regular Session, Chapter 94, Article 11, Section 5 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Amends Minn. Stat. § 462A.2035
Effective August 1, 2017

Modifies the criteria describing the targeted student population for grants made by the Minnesota Housing Finance Agency to family homeless prevention and assistance projects in communities with a school or schools that have a significant degree of student mobility. Provides that targeted families with children who are those who are eligible for a prekindergarten through grade 12 academic program, replacing the previous language that targeted families with children under 12. Adds families with children who lack a fixed, regular, and adequate nighttime residence to the existing additional criteria of families with children who are living in overcrowded conditions in their current housing or are paying more than 50 percent of their income for rent. Specifies, but does not limit, services to include: (1) housing navigation; (2) legal representation; and (3) family outreach.
I. ARCHITECTURAL BARRIERS --- REQUIREMENTS FOR LEGAL ACTION

Regular Session, Chapter 80 (HF 1542)
Amends Minn. Stat. §§ 363A.28, subd. 3; and 363A.331, subds. 2(a) and 5
Adds Minn. Stat. § 363A.331, subds. 2(c) and (d); 2a
Effective May 24, 2017 and applies to civil actions for violations of accessibility requirements under law brought on or after that date.

A. Mandatory Pre-Litigation Notice of Architectural Barrier

1. Notice Requirement
   Makes mandatory what had been a voluntary notice (demand letter) alleging violation(s) of Minnesota Human Rights Act (MHRA) or the Americans with Disabilities Act (ADA) sections requiring removal of physical barriers to access in public accommodations.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

2. Applicability
   Makes the requirement to provide mandatory notice applicable to persons alleging a violation of the MHRA or ADA if the person is: (1) an attorney; (2) represented by an attorney.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

3. Response Time
   Extends the mandatory response period that must be provided in the mandatory notice from at least 30 days to at least 60 days.
   Amends Minn. Stat. § 363A.331, subd. 2(a)

4. Action Prohibited During Notice Period
   Expressly prohibits a civil action from being brought during the notice period. Expressly permits a civil action to be brought after the expiration of the notice period.
   Adds Minn. Stat. § 363A.331, subd. 2(c)
5. **Extension for Weather**
   Extends the response period in the notice and the ban on bringing a civil action for an additional 30 days if, within the initial 60-day response time provided/required in the notice, the business: (1) indicates in writing an intent to remove the barrier; (2) demonstrates that weather prevents a timely removal; (3) specifies in writing the steps that will be taken to remove the barrier; and (4) specifies in writing the date by which the barrier will be removed.

*Adds Minn. Stat. § 363A.331, subd. 2(d)*

**B. When Pro Se Plaintiff Retains an Attorney Within 60 Days After Bringing a Civil Action**

1. **If Civil Action Already Filed with Court**
   Requires, where a pro se plaintiff retains an attorney within 60 days of serving a complaint and filing an action alleging a violation of accessibility requirements under law, the retained attorney to provide a dated notice of architectural barrier to the business, which must: (1) cite the law alleged to be violated; (2) identify each architectural barrier that is the subject of an alleged violation; (3) specify the location on the premises of each alleged violation; (3) provide the portion of the statutory form notice under Minn. Stat. § 363A.331, subd. 3 offering a referral to the Minnesota Council on Disability and noting the availability of accessibility audits; (4) provide an additional 60 days after the date of the notice or service of the complaint for the defendant to serve an answer or amend a previous answer to the complaint.

*Adds Minn. Stat. § 363A.331, subd. 2a*

2. **If Civil Action Has Not Yet Been Filed with Court**

   a. **Notice Required**
      Requires, where a pro se plaintiff retains an attorney within 60 days of serving a complaint but has not yet filed an action alleging a violation of accessibility requirements under law, the retained attorney must provide a dated notice of architectural barrier to the business, which must, among other things: (1) cite the law alleged to be violated; (2) identify each architectural barrier – and its location – that is the subject of an alleged violation; and (3) provide an additional 60 days after the date of the notice or service of the complaint for the defendant to serve an answer or amend a previous answer to the complaint.

*Adds Minn. Stat. § 363A.331, subd. 2a*
b. \textit{Waiting Period to File}
Prohibits an attorney retained by a pro se plaintiff alleging a violation of accessibility requirements under law within 60 days of the service of the summons and complaint by the pro se plaintiff but before its filing with the court from filing the action until expiration of the time provided for in the notice.
\textit{Adds Minn. Stat. § 363A.331, subd. 2a}

c. \textit{Stay of Answer Period}
Stays the time period for serving an answer to the complaint under Rule 12 of the Minnesota Rules of Civil Procedure and the proceedings for the period of time specified in the notice where an attorney is retained by a pro se plaintiff alleging a violation of accessibility requirements under law within 60 days of the service of the summons and complaint by the pro se plaintiff but before its filing with the court.
\textit{Adds Minn. Stat. § 363A.331, subd. 2a}

C. \textbf{Modified Exemptions}

1. \textbf{Exemptions from Notice}
Clarifies that pro se plaintiffs who themselves are attorneys are subject to the mandatory notice requirement.
\textit{Amends Minn. Stat. § 363A.331, subd. 5}

2. \textbf{Claims for Injury}
Effectively provides clarity with respect to options to claim physical and/or emotional injury for claims of denial of access. Clarifies that a person can either: (1) bring a common law tort claim for damages (and thus forgo the ability to seek attorneys’ fees under the MHRA); or (2) bring a claim for damages under the Minnesota Human Rights Act and comply with the pre-litigation notice requirement and 60-day waiting period (and thus utilize the provision under the MHRA allowing for attorneys’ fees for the prevailing party).
\textit{Amends Minn. Stat. § 363A.331, subd. 5}
INCOME GUIDELINES FOR LEGAL AID SERVICES PROVIDED WITH STATE FUNDS

Prepared by:
Ron Elwood, Supervising Attorney
Legal Services Advocacy Project
651-842-6909
relwood@mnlsap.org

I. CLIENT INCOME ELIGIBILITY FOR LEGAL AID SERVICES PROVIDED WITH STATE FUNDS

Regular Session, Chapter 95, Article 2, Section 9 (HF 470)
Omnibus Judiciary and Public Safety Finance and Policy Bill
Amends Minn. Stat. § 480.242, subd. 2
Effective August 1, 2017

Changes the income guidelines for legal assistance with funds provided by the state in its biennial budget and appropriated by the Minnesota Supreme Court’s Legal Services Advisory Committee (LSAC). Provides that a client is eligible for assistance if, in addition to meeting the other existing criteria, a client’s income satisfies the income eligibility guidelines established under Minn. Stat. § 480.243, subd. 1, which provides that the Minnesota Supreme Court, with the advice of LSAC, shall establish guidelines in the form of court rules to be used by legal aid program recipients of state funds to determine the eligibility of individuals for legal services.

Note: Under the eliminated income guidelines, a client: (1) had to have a reportable federal adjusted gross income of $15,000 or less in the previous year; and (2) had to be financially unable to retain legal representation.
Acronyms Used in this Section
CHIPS = Child in Need of Protection
DHS = Minnesota Department of Human Services

I. **RIGHT TO COUNSEL**

*Regular Session, Chapter 60 (HF 1702)*
("McKenna’s Law")
*Amends Minn. Stat. §§ 260C.163, subds. 3 and 10; and 260C.607, subd. 2*
*Effective August 1, 2017*

A. **Notice and Appointment**

Requires court to appoint either public defender or other counsel at public expense for a child age ten or older, except in habitual truancy cases.

Requires social services agency, in CHIPS cases, to fully inform a child age ten or older that the child has a right to counsel. The notice must include, at a minimum:

- Counsel will be provided without charge;
- The child’s communications with counsel are confidential; and
- The child has the right to personally attend all hearings.

The agency must notify the court whether the child wanted counsel. If a child appears at a CHIPS proceeding without counsel, the court is required to both inform the child of the right to appointed counsel and ask the child if they want counsel.

In CHIPS cases, or cases where the child is under the guardianship of the commissioner, requires the social services agency, within fourteen days of a child’s tenth birthday to provide the child with full and effective notice of the child’s right to be represented by counsel.

B. **Waiver**

Adds requirement that any right of a child under Chapter 260 can only be waived in writing and after consultation with appointed counsel. This includes the right to counsel.

Prohibits the child’s right to counsel to be waived by the child’s parent, other person responsible for the child’s care, or the Guardian ad Litem from waiving the child’s right to counsel.
C. **Hearing Notices**

Adds child’s appointed counsel to list of persons or entities entitled to notices of review hearings.

*Note: No additional funding was provided for the appointment of counsel at public expense, whether counsel is a public defender or a panel attorney at public expense.*

II. **CHILD AND ADULT FOSTER CARE – LICENSING/BACKGROUND STUDIES**

*Regular Session, Chapter 90, Sections 2-9 (SF 359)*

Amends Minn. Stat. §§ 245C.03, subd. 1; 245C.04, subd. 1; 245C.05, subd. 2; 245C.10, subd. 9; 245C.17, subs. 5 and 6; 245C.21, subd. 1a; and 245C.23, subd. 2

**Effective May 31, 2017**

Modifies requirements and applicability of background study provisions as follows:

- Limits short-term alternate caregiver exemption from background study to child foster care settings where the license holder resides in the home where foster care is provided.  
  *Amends Minn. Stat. § 245C.03, subd. 1*

- Requires existing child foster care background study information collection required under existing law (See Minn. Stat. § 245C.05, subd. 1 and 5) to be forwarded by the county or private agency when the license holder or applicant resides in the home where child foster care will be provided. In all cases where the applicant or license holder does not live in the home, this information must be collected and forwarded by the applicant or license holder.  
  *Amends Minn. Stat. §§ 245C.04, subd. 1 and 245C.05, subd. 2a*

- Aligns background study results notices to these limitations – counties and private agencies will only be notified of background study results for studies they initiated, which are now limited to applicants and license holders for child or adult foster care who reside in the home where the foster care will be provided.  
  *Amends Minn. Stat. § 245C.17, subs. 5 and 6*

- Limits background study fee waiver for child foster care to cases where the applicant or license holder lives in the home where foster care will be provided. In all other cases, DHS can seek reimbursement for the background study fee.  
  *Amends Minn. Stat. § 245C.10, subd. 9*

- Directs reconsideration of background studies to the county agency that initiated the study only when the applicant or license holder resides in the home where child foster care, adult foster care, or family adult day services will be provided.  
  *Amends Minn. Stat. § 245C.21, subd. 1a*

- Aligns notification of reconsideration results to the county agency or private agency that initiated the study only in cases where the applicant or license holder resides in the home where child foster care, adult day care or family adult day services will be provided.  
  *Amends Minn. Stat. § 245C.23, subd. 2*
III. OUT OF HOME PLACEMENT – SUPPORT FOR FAMILIES
First Special Session, Chapter 6, Article 7, Section 28 (SF 2)
Omnibus Health and Human Services Budget Bill
Creates Minn. Stat. § 256N.261
Effective July 1, 2017

Requires DHS to develop and implement a coordinated program to reduce the number of out-of-home placements or placement changes for children and youth in foster care, adoptive placement, or permanent legal and physical custody kinship placements to improve functioning and stability of these families.

Requires DHS, to the extent federal funds are available, to (1) provide the following adoption and foster care-competent services and (2) ensure placements are trauma informed and child and family centered:

- Program providing information, referrals, parent-to-parent supports, peer supports, family activities, respite care, crisis services, educational support, and mental health services for children and youth in foster care, adoptive, or permanent legal and physical custody kinship placements;
- Statewide training for adoptive, kinship and foster families, and the professionals who serve them, on (1) the effects of trauma; (2) common disabilities of children who are in foster, adoptive or kinship placements; and (3) challenges in foster, adoptive and kinship placements; and
- Periodic evaluation of these services to ensure program effectiveness in preserving and improving placement success.

Defines the following terms, which only apply to this section:

- “Child and family-centered” means individualized services that respond to a child or youth’s strengths, interests and current developmental stage, including social, cognitive, emotional, physical, cultural, racial, and spiritual needs, and offer support to the entire adoptive, foster, or kinship family;
- “Trauma-informed” means care that acknowledges the effect of trauma on children and the children’s family; modifies services to respond to those effects; emphasizes skill and strength-building as opposed to symptom management; and focuses on physical and psychological safety of both the child and family.

IV. FOSTER CARE – SERVICES FOR CHILDREN BETWEEN AGES 18 AND 21
First Special Session, Chapter 6, Article 7, Section 32 (SF 2)
Omnibus Health and Human Services Budget Bill
Amends Minn. Stat. § 260C.451, subd. 6
Effective July 1, 2017

Extends existing provisions for children who were in foster care for six consecutive months prior to age 18, and not adopted, received by a relative through a transfer of legal custody or discharged home to children who left foster care within six months of the child’s 18th birthday. This permits these children to re-enter foster care prior to age 21, under the other provisions of existing law.

Removes limitation on providing services “to the extent funds are available” so that counties will be required to provide these services – including existing services under this section of law.
V. FOSTER CARE – LIABILITY INSURANCE  
First Special Session, Chapter 6, Article 7, Section 23 (SF 2)  
Omnibus Health and Human Services Budget Bill  
Adds Minn. Stat. § 245.814, subd. 5  
Effective July 1, 2017

Permits DHS to use federal foster care reimbursement funds to offset costs of foster care liability insurance premiums.

VI. MALTREATMENT AT JUVENILE CORRECTIONAL FACILITIES  
First Special Session, Chapter 6, Article 9, Section 11 (SF 2)  
Omnibus Health and Human Services Budget Bill  
Amends Minn. Stat. § 626.556, subd. 3c  
Effective July 1, 2017

Shifts responsibility for assessing and investigating maltreatment allegations in juvenile correctional facilities from the county agency to DHS.
I. **MFIP MARRIAGE DISREGARD**
*First Special Session, Chapter 6, Article 7, Sections 27 and 29 (SF2)*
*Omnibus Health and Human Services Policy and Finance Bill*
*Amends Minn. Stat. §§ 256J.45, subd. 2; and 256P.06, subd. 2*
*Effective December 1, 2018*

Creates a new income disregard in MFIP. Requires that the earned and unearned income of the following members of an MFIP household be disregarded for 12 months following a marriage (if the household income does not exceed 275% of the federal poverty guidelines): (1) a new spouse to a caretaker in an existing MFIP household; and (2) the spouse designated by a newly married couple, both of whom were already members of an MFIP household. Requires the county to share information about the income disregard at MFIP orientation.

II. **BIRTH TO EIGHT PILOT PROJECT**
*First Special Session, Chapter 6, Article 7, Section 33 (SF2)*
*Omnibus Health and Human Services Policy and Finance Bill*
*Uncodified Section*
*Effective July 1, 2017 and sunsets June 30, 2021*

Awards grant funding to Dakota County for a coordinated service delivery pilot project with a focus on child reading proficiency. Requires the target population to be voluntary and to include WIC enrollees, family home visiting participants, and early language learner services participants. Requires annual evaluation and progress reports to the Legislature by February 1 of each year, and a final report by January 1, 2022.
III. PATHWAYS TO PROSPERITY
First Special Session, Chapter 6, Article 7, Section 34 (SF2)
Omnibus Health and Human Services Policy and Finance Bill
Uncodified Section
Effective July 1, 2017

A. Authorization
Authorizes DHS to: (1) with counties to explore an alternative financing model for public benefits; and (2) determine the federal waivers necessary for implementation.

B. Goals
Establishes the goals of the project as: (1) reducing historical separation among state public assistance programs; (2) eliminating funding restrictions; and (3) focusing on prevention-oriented supports and interventions.

C. Target Population
Targets voluntary participants who are: (1) 26 years or younger with at least one child; (2) eligible for or receiving public benefits (including but not limited to housing assistance, education supports, employment supports, child care, transportation supports, medical assistance, EITC, or the child care tax credit); and (3) enrolled in an education program focused on a career with a livable wage.

D. Outcome Measurements
Requires the outcome measures to include: (1) improvement in the affordability, safety, and permanence of suitable housing; (2) improvement in family stability; (3) improvement in educational readiness and outcomes for parents and children; (4) attachment to the workforce; and (5) improvement in health care access and health outcomes for parents and children.
I. SMALL CLAIMS DIVISION OF TAX COURT MAXIMUM RAISED

Regular Session, Chapter 95, Article 2, Section 5 (HF 470)
Omnibus Judiciary and Public Safety Finance and Policy Bill
Amends Minn. Stat. § 271.21, subd. 2
Effective May 31, 2017

Raises the maximum for claims that can be adjudicated by the Small Claims Division of the Tax Court from $5,000 to $15,000

II. WORKING FAMILY CREDIT

Regular Session, Chapter 1, Section 6 (HF 2)
First Special Session, Chapter 1, Article 1, Section 20 (HF 1)
Omnibus Tax Bill
Amends Minn. Stat. § 290.0671, subd. 1
Various Effective Dates

A. Native American Eligibility

Allows Native Americans to count their on-reservation earnings as income for purposes of the credit.
Effective for taxable years beginning after December 31, 2016

B. Single Adults

Lowers the age limit for households without qualifying children to 21 to qualify for the Working Family Credit, expanding the credit by $6.7 million.
Effective for taxable years beginning after December 31, 2018

C. Marriage Penalty

Reduces the “marriage penalty” in conformance with federal law.
Effective for taxable years beginning after December 31, 2016

Note: A marriage penalty occurs when a married couple pays higher tax than they would if each spouse could file as a single and pay tax on his or her own income.
III. **CHILD AND DEPENDENT CARE CREDIT**  
*First Special Session, Chapter 1, Article 1, Sections 18, 19 and 44 (HF 1)*  
*Omnibus Tax Bill*  
*Amends Minn. Stat. §290.067, subds. 1 and 2b*  
*Repeals Minn. Stat. §2690.067, subd. 2*  
*Effective for tax years beginning after December 31, 2016*

Expands eligibility for the child and dependent care tax credit, and increases the amount of the child and dependent care tax credit. Matches the state tax credit to the existing federal credit for incomes up to $50,000 Adjusted Gross Income (AGI) per year. Begins to phase out the tax credit for taxpayers with an AGI over $50,000 per year, the tax credit is the lesser of either (1) the credit calculated with the underlying formula or (2) for taxpayers with one qualifying individual, $600 less 5% of the federal AGI over $50,000; or for taxpayers with two or more qualifying individuals, $1200 less 5% of the federal AGI over $50,000. Clarifies that this remains a refundable credit, and cannot be a negative credit. Updates inflation adjustment to tax year 2016, with subsequent adjustments to begin in 2018.

<table>
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<tr>
<th>AGI</th>
<th>Maximum for One Dependent</th>
<th>Maximum for Two or More Dependents</th>
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<tbody>
<tr>
<td>Less than $15,000</td>
<td>$1,050</td>
<td>$2,100</td>
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<tr>
<td>$15,000 to $43,000</td>
<td>Maximum credit decreases by $30 for each $2,000 of AGI over $15,000</td>
<td>Maximum credit decreases by $60 for each $2,000 of AGI over $15,000</td>
</tr>
<tr>
<td>$43,000 to $50,000</td>
<td>$600</td>
<td>$1200</td>
</tr>
<tr>
<td>$50,000 to $62,000</td>
<td>Maximum credit decreases by 5% of AGI over $50,000</td>
<td>Maximum credit decreases by 5% of AGI over $50,000</td>
</tr>
<tr>
<td>$62,000 to $74,000</td>
<td>No credit allowed</td>
<td>Maximum credit continues to decrease by 5% of AGI over $50,000</td>
</tr>
<tr>
<td>Over $74,000</td>
<td>No credit allowed</td>
<td>No credit allowed</td>
</tr>
</tbody>
</table>

IV. **SOCIAL SECURITY DEDUCTION**  
*First Special Session, Chapter 1, Article 1, Section 26 (HF 1)*  
*Omnibus Tax Bill*  
*Adds Minn. Stat. § 290.0132, subd. 26*  
*Effective for taxable years beginning after December 31, 2016*

Allows a portion of Social Security benefits as a subtraction. Provides that the subtraction equals the lesser of Social Security benefits or a maximum subtraction of: (1) for married taxpayers filing a joint return and surviving spouses, $4,500, reduced by 20% percent of provisional income over $77,000; (2) for single or head-of-household taxpayers, $3,500, reduced by 20% of provisional income over $60,200; and (3) for married taxpayers filing separate returns, $2,250, reduced by 20% of provisional income over $38,500.
V. BEGINNING FARMER PROGRAM TAX CREDIT
First Special Session, Chapter 1, Article 1, Sections 1, 16 and 17 (HF 1)
Omnibus Tax Bill
Adds Minn. Stat. §§ 41B.0391; and 290.06, subds. 37 and 38

A. Establishment
Establishes within the Minnesota Rural Finance Authority a Beginning Farmer Program Tax Credit. Specifies administrative duties of the Authority.

B. Eligibility
Defines “beginning farmer” as a person who: (1) is a Minnesota resident; (2) is seeking entry into, or has entered, farming within the last ten years; (3) intends to farm land located in Minnesota; (4) is not and whose spouse is not a family member of the owner – or partner, member, shareholder, or trustee of the owner – of the agricultural assets from whom the beginning farmer is seeking to purchase or rent agricultural assets; (5) and meets other eligibility requirements as determined by the Minnesota Rural Finance Authority, including a net worth requirement.
UNEMPLOYMENT INSURANCE LAW
Prepared by:
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Acronyms

DEED = Minnesota Department of Employment and Economic Development
UI = Unemployment Insurance

I. TECHNICAL CHANGES/REVISOR’S INSTRUCTION
Regular Session, Chapter 35 (SF1549)
Amends Minn. Stat. § 268
Effective August 1, 2017

In Chapter 268: (1) changes the term “fraud” to “misrepresentation”; (2) changes the term “non-fraud” to “non-misrepresentation”; and (3) strikes the words “considered” or “considered to be.”

II. UNEMPLOYMENT INSURANCE (UI) AND WORKERS COMPENSATION
Regular Session, Chapter 35, Article 1, Section 5 (SF1549)
Amends Minn. Stat. § 268.101, subd. 2
Effective August 1, 2017

Allows the Minnesota Department of Employment and Economic Development (DEED) to recover UI benefits if a worker’s compensation settlement occurs within 48 months (rather than 24 months) of the establishment of a UI benefit account.

III. SUSPENSION FROM EMPLOYMENT AS DISCHARGE
Regular Session, Chapter 35, Article 1, Sections 3 and 4 (SF1549)
Amends Minn. Stat. §§ 268.085, subd. 13; 268.095, subd. 5
Effective August 1, 2017

Adds aggravated employment misconduct to the statute on suspension from employment. Provides that indefinite suspension is a discharge at the time the suspension begins.
IV. NONCOVERED EMPLOYMENT
Regular Session, Chapter 35, Article 2, Section 1 (SF1549)
Amends Minn. Stat. § 268.035, subd. 20
Effective August 1, 2017

Adds religious schools to the definition of noncovered employment and includes schools operated by churches or nonprofit organizations principally supported by churches.

IV. STAFFING SERVICE
Regular Session, Chapter 35, Article 2, Section 2 (SF1549)
Amends Minn. Stat. § 268.035, subd. 21d
Effective August 1, 2017

Clarifies the definition of staffing service to only include an employer that will “support or supplement the workforce of the business that is a client of the staffing service.”

V. BENEFIT ACCOUNT
Regular Session, Chapter 35, Article 2, Section 4 (SF1549)
Amends Minn. Stat. § 268.07, subd. 3b
Effective August 1, 2017

Clarifies that a benefit account may be withdrawn after the expiration of the benefit year, and the new work and wage requirements do not apply if the applicant was not paid any UI benefits on the account that is being withdrawn.

VI. GOOD CAUSE IN REEMPLOYMENT ASSISTANCE SERVICES
Regular Session, Chapter 35, Article 2, Section 5 (SF1549)
Amends Minn. Stat. § 268.085, subd. 1
Effective August 1, 2017

Clarifies the standard for good cause to be applied for a failure to participate in reemployment assistance services.

VII. LEAVE OF ABSENCE
Regular Session, Chapter 35, Article 2, Section 6 (SF1549)
Amends Minn. Stat. § 268.085, subd. 13a
Effective August 1, 2017

Clarifies the definition of leave of absence as “a temporary stopping of work that has been approved by an employer.”
VIII. GOOD CAUSE IN RECONSIDERATION  
*Regular Session, Chapter 35, Article 2, Section 6 (SF1549)*  
*Amends Minn. Stat. § 268.105, subd. 2*  
*Effective August 1, 2017*

Clarifies “good cause” for purposes of submitting evidence for a reconsideration hearing.

IX. CONSTRUCTION/TRUCKING DEFINITION  
*Regular Session, Chapter 35, Article 3, Section 2 (SF1549)*  
*Amends Minn. Stat. § 268.035, subd. 15*  
*Effective August 1, 2017*

Clarifies definitonal language for construction industry employment and trucking and messenger industry employment.

X. WAGE DETAIL  
*Regular Session, Chapter 35, Article 3, Section 3 (SF1549)*  
*Amends Minn. Stat. § 268.035, subd. 23*  
*Effective August 1, 2017*

Clarifies how DEED calculates the average annual wage and average weekly wage.

XI. RIGHT OF APPEAL TECHNICAL CHANGE  
*Regular Session, Chapter 35, Article 3, Section 8 (SF1549)*  
*Amends Minn. Stat. § 268.07, subd. 3a*  
*Effective August 1, 2017*

 Strikes duplicative language stating that proceedings on the appeal are conducted in accordance with Minn. Stat. § 268.105.

XII. SCHOOL EMPLOYEES  
*Regular Session, Chapter 35, Article 3, Section 10 (SF1549)*  
*Amends Minn. Stat. § 268.085, subd. 7*  
*Effective August 1, 2017*

Clarifies language regarding ineligibility of school employees between academic terms. Amplifies the definition of “educational institution” to be a “school, college, university or other educational entity operated by Minnesota, a political subdivision, or a nonprofit organization.” Adds language that an instructional, research or principal administrative capacity does not include an educational assistant.
XIII. **GOOD CAUSE**  
*Regular Session, Chapter 35, Article 3, Section 12 (SF1549)*  
Amends Minn. Stat. § 268.0865, subd. 5  
Effective August 1, 2017

Lowers the standard for good cause from having a “compelling substantial reason” to having “a reason” for not filing a continued request for UI benefits.

XIV. **QUIT**  
*Regular Session, Chapter 35, Article 3, Section 14 (SF1549)*  
Amends Minn. Stat. § 268.095, subd. 2  
Effective August 1, 2017

Provides that giving notice of quitting in the future does not constitute a quit at the time the notice is given.

XV. **WORK IN MULTIPLE STATES**  
*Regular Session, Chapter 35, Article 3, Section 15 (SF1549)*  
Amends Minn. Stat. § 268.131  
Effective August 1, 2017

Provides clarifying language concerning combined wage claims across work in multiple states.

XVI. **APPLICANT FRAUD/MISREPRESENTATION**  
*Regular Session, Chapter 35, Article 3, Sections 16 and 19 (SF1549)*  
Amends Minn. Stat. §§ 268.18, subd. 2; and 268.182  
Effective August 1, 2017

Creates a new category of “misrepresentation” and distinguishes “misrepresentation” from “criminal fraud.” Strikes “knowingly misrepresenting, misstating, or failing to disclose any material act” from the definition of misrepresentation. Clarifies the criminal penalties for fraud as theft.

XVII. **EMPLOYER MISREPRESENTATION AND MISREPORTING**  
*Regular Session, Chapter 35, Article 3, Section 20 (SF1549)*  
Amends Minn. Stat. § 268.184  
Effective August 1, 2017

Redefines “employer misconduct” as “misrepresentation.” Clarifies the administrative and criminal penalties.
I. PROPERTY ASSESSED CLEAN ENERGY (PACE) LOANS

Regular Session, Chapter 94, Article 10, Sections 23 and 27 (SF 1456)
Omnibus Jobs and Economic Development Finance and Policy Bill
Adds Minn. Stat. § 216C.435, subd. 7a
Uncodified Section
Effective May 31, 2017

Note: PACE loans are unregulated loans, provided by a private, for-profit energy services company and marketed through a network of affiliated heating and cooling, window, renewable energy, and other energy efficiency and improvement contractors, the proceeds for which are derived in part from the sale of municipal bonds secured through a property tax assessment. The loans – which can be for up to 20 years and because they are tax liens, they take “superpriority” over all other encumbrances, including mortgages – are not subject to any of the state or federal laws that protect any other type of loan.

This program was authorized in 2010 and both commercial and residential properties are eligible. To date, only a Commercial PACE program has moved forward. A robust Residential PACE program has moved forward, most prominently in California, but also in other states. Multiple class action lawsuits alleging deceptive trade and marketing practices and overcharges have been filed and some municipalities are disengaging from the program. Since the encumbrance runs with the land, not the borrower, Realtors in California especially report homeowners are having difficulty selling homes because of the large tax liens attached to the properties.

A. Suspension of Residential PACE
Suspends the statutory authority to offer Residential PACE loans until legislation is enacted establishing consumer protections that address, but are not limited to, a series of enumerated concerns.

B. Establishment of Residential PACE Consumer Protection Legislation Task Force

1. Creation
Establishes a Residential PACE Consumer Protection Legislation Task Force – to be chaired and convened by the Minnesota Department of Commerce – to develop recommendations for consumer protection legislation Residential PACE lending.Limits applicability to single-family residential dwellings, which includes dwellings of less than five units.
Adds Minn. Stat. § 216C.435, subd. 7a (defines “multifamily residential dwellings to mean “a residential dwelling containing five or more units intended for use as a residence by tenants or lessees of the owner”).
2. **Membership**

Names 16 members of the task force, including the Legal Services Advocacy Project and: (1) other consumer advocacy groups; (2) Center for Energy and Environment; (3) the Minnesota Bankers Association and the Minnesota Credit Union Association; (4) the Minnesota Association of Realtors; (5) environmental groups; (6) municipal and state government representatives; and (7) a for-profit lender/energy services company with expertise in marketing and implementing Residential PACE.

3. **Duties**

Requires the Task Force to develop recommendations to: (1) address concerns regarding constraints on sales of homes caused by the existence and amount of the PACE liens; (2) reduce and minimize any point-of-sale confusion in transactions involving PACE-encumbered homes; (3) ensure conspicuous and meaningful disclosure of, among other things: (i) all costs and fees of a residential PACE loan; and (ii) the risks, such as foreclosure and higher costs, that may be associated with residential PACE loans relative to other financing mechanisms; (4) ensure that the ability to repay standard uses commonly accepted underwriting principles; (5) ensure that consumer provisions required of and protections that apply to conventional loans and other financing options, including but not limited to the Truth in Lending Act and the Real Estate Settlement Procedures Act, are required of and apply to PACE financing; (6) address any unique protections necessary for elderly, low-income homeowners and other financially vulnerable homeowners; (7) establish criteria to ensure the cost-effectiveness of PACE-enabled clean energy improvements; and (8) address any other issues the task force identifies that are necessary to protect consumers.

4. **Report**

Requires the Department of Commerce to submit a report to the Legislature, by January 15, 2018: (1) detailing the task force’s findings and recommendations; and (2) including any draft legislation necessary to implement the recommendations of the task force.
II. **DISPUTE RESOLUTION FOR ELECTRIC COOPERATIVES**  
*Regular Session, Chapter 94, Article 10, Section 8 (SF 1456)*
*Omnibus Jobs and Economic Development Finance and Policy Bill*
*Adds Minn. Stat. § 216B.164, subd. 11*
*Effective May 31, 2017*

Removes the authority of the Minnesota Public Utilities Commission to resolve disputes between electric cooperatives (formally, “cooperative electric associations”) and their customers (technically “members”) if the Board of Directors of an electric cooperative:
1. elects to assume the existing authority of the PUC to resolve disputes; and
2. adopts rules that provide for a process to resolve disputes. Requires the rules to include a provision that:
   1. either party to a dispute may request mediation only after all attempts to settle the dispute under the cooperative electric association’s dispute resolution process have been exhausted; and
   2. the parties must mutually agree upon the selection of a mediator, who must be listed on the roster of neutrals for civil matters established by the state court administrator under Rule 114.12 of Minnesota’s General Rules of Practice for the District Courts; and
3. electric cooperative must pay 90 percent of the cost (with the customer paying 10%).

III. **CONSERVATION IMPROVEMENT PROGRAMS/STATE ENERGY SAVINGS GOALS FOR MUNICIPAL AND COOPERATIVE UTILITIES**  
*Regular Session, Chapter 94, Article 10, Sections 11 and 12 (SF 1456)*
*Omnibus Jobs and Economic Development Finance and Policy Bill*
*Amends Minn. Stat. §§ 216B.241, subds. 1b and 1c*
*Makes conforming changes to:*
- Minn. Stat. §§ 216B.241, subd. 2 (conservation programs)  
- Minn. Stat. §§ 216B.241, subd. 5 (efficient lighting programs)  
- Minn. Stat. §§ 216B.241, subd. 5b (on-bill repayment programs)  
- Minn. Stat. §§ 216B.241, subd. 7 (low-income programs)*
*Effective May 31, 2017*

Eliminates applicability of the state’s Conservation Improvement Program (CIP) and state energy savings goals for smaller municipal utilities and electric cooperatives.

A. **Applicability of CIP to Municipals and Coops**

Establishes that the state’s CIP Program only applies to: (1) municipal utilities if they have more than 1,000 retail customers; and (2) to electric cooperatives if they have more than 5,000 customers (technically “members”).
*Adds Minn. Stat. §§ 216B.241, subd. 1b*

Note: Municipal utilities and electric cooperatives exempt from compliance would also be exempt from compliance with the low-income portion of the CIP program.
B. **Applicability of State Energy Savings Goals to Municipals and Coops**
Eliminates applicability state energy savings goals and evaluation by the Department of Commerce on whether a utility is meeting its goals for: (1) municipal utilities with fewer than 1,000 retail electric customers or less than 1,000,000,000 cubic feet in annual throughput sales to retail natural gas customers; and (2) to electric cooperatives with fewer than 5,000 customers (technically “members”).

*Add Minn. Stat. §§ 216B.241, subd. 1c*

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IV. **STATE ENERGY POLICY GOALS**

*Regular Session, Chapter 94, Article 10, Section 21 (SF 1456)*
*Omnibus Jobs and Economic Development Finance and Policy Bill*
*Amends Minn. Stat. § 216C.05, subd. 2*
*Effective May 31, 2017*

Adds a state energy policy goal that retail electricity rates for each customer class be at least 5% below the national average.
I. PRIVILEGED VETERANS APPEALS SERVICE PROVIDERS – REQUIRED DISCLOSURE OF AVAILABILITY OF FREE SERVICES FROM COUNTY VETERANS SERVICE OFFERS

First Special Session, Chapter 4, Article 4 Section 5 (SF 1)
Omnibus State Government Finance Bill
Adds Minn. Stat. § 197.6091
Effective July 1, 2017

A. Key Definitions

1. "Veterans Benefits Appeal Services"
   Defined as “services that a veteran might reasonably require in order to appeal a denial of federal or state veteran’s benefits, including but not limited to denials of disability, limited income, home loan, insurance, education and training, burial and memorial, and dependent and survivor benefits.”
   Adds Minn. Stat. § 197.6091, subd. 1(c)

2. "Veterans Benefits Services"
   Defined as “services that a veteran or a family member of a veteran might reasonably use in order to obtain federal, state, or county veterans benefits.”
   Adds Minn. Stat. § 197.6091, subd. 1(d)

3. “Written Disclosure Statement”
   Defined to mean the written disclosure statement developed by the Department of Veterans Affairs.
   Adds Minn. Stat. § 197.6091, subd. 1(e)

B. Disclosure of Free County Veterans Services Officer Services Required

1. In Advertisements
   Requires a person advertising veterans benefits appeal services to “conspicuously disclose in the advertisement. . .that veterans benefits appeal services are also offered at no cost by county veterans service officers.”
   Adds Minn. Stat. § 197.6091, subd. 2
2. **Prior to Execution of Agreement for Services**
   Requires a person “who provides veterans benefits services in exchange for compensation” to, prior to executing a contract for services to: (1) provide the written disclosure statement to each client or prospective client; and (2) “obtain the signature of the client on a written disclosure statement containing an attestation by the client that the client has read and understands the written disclosure statement.”
   *Adds Minn. Stat. § 197.6091, subd. 2*

C. **Public Enforcement**

1. **Court Assessment of Civil Penalty**
   Subjects a violator to a maximum civil penalty of $1,000 for each violation. Requires assessment of the penalty solely by a District Court and solely through an action initiated by the Attorney General. Provides that each day of continuing violation constitutes a separate violation.
   *Adds Minn. Stat. § 197.6091, subd. 4*

2. **Civil Penalty Determined by Settlement of Investigation**
   Allows the Attorney General – regardless of whether an action has been filed – to accept a civil penalty as determined by the Attorney General in settlement of an investigation.
   *Adds Minn. Stat. § 197.6091, subd. 4*

D. **Exemptions**

Exempts the owner or personnel of the medium in which the advertisement appears or through which the advertisement is disseminated.
*Adds Minn. Stat. § 197.6091, subd. 5*
I. RESIDENTIAL CARE AND SERVICES ELECTRONIC MONITORING WORK GROUP

Chapter 179, Section 39 (HF 3142)
Uncodified Section
Effective June 1, 2016

A. Work Group Established
   Establishes a Residential Care and Services Electronic Monitoring Work Group to
   create recommendations for legislation that authorizes the use of voluntary
   electronic monitoring to protect vulnerable children and adults and hold
   accountable perpetrators of abuse. Requires a report to the Legislature by

B. Members
   Names the following as members of the work group: (1) a bipartisan group of
   four legislators, two from the House of Representatives, two from the Senate; (2)
   the Department of Health; (3) the Department of Human Services; (4) the
   Ombudsman for Long-Term Care; (4) AARP; (5) a nonprofit focusing on
   Alzheimer’s disease; (6) a representative of the county attorneys; (7) a
   representative of consumers or victims; (8) a representative of direct-care
   workers; (9) a representative with legal expertise on medical privacy; and (10)
   representatives from: (i) Care Providers of Minnesota; (ii) LeadingAge; (iii) the
   Minnesota Home Care Association.