

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. **4057**

1.1 A bill for an act

1.2 relating to legislative enactments; making miscellaneous technical corrections to

1.3 laws and statutes; correcting erroneous, obsolete, and omitted text and references;

1.4 removing redundant, conflicting, and superseded provisions; amending Minnesota

1.5 Statutes 2024, sections 3.9215, subdivision 4; 3.9741, subdivision 1; 13.202,

1.6 subdivision 11; 13.3806, subdivision 22; 13.461, subdivision 7a; 13.55, subdivision

1.7 1; 13.825, subdivision 2; 34.02; 43A.34, subdivision 3; 52.09, subdivision 2;

1.8 60D.18, subdivision 5; 62A.318, subdivision 5; 65A.35, subdivision 5; 65B.133,

1.9 subdivision 1; 65B.15, subdivision 1; 66A.16, subdivision 2; 80E.13; 115.48,

1.10 subdivision 2; 115A.28, subdivision 2; 118A.09, subdivision 3; 120B.234,

1.11 subdivision 2; 120B.303, subdivision 1; 121A.15, subdivisions 3b, 11; 121A.425,

1.12 subdivision 1; 124D.03, subdivision 3; 124D.094, subdivision 2; 124D.096;

1.13 124D.59, subdivision 2; 125A.76, subdivision 2f; 126C.05, subdivision 1; 126C.17,

1.14 subdivision 9; 126C.40, subdivision 5; 135A.15, subdivision 1; 136A.031,

1.15 subdivision 3; 136A.1241, subdivision 2; 136A.829, subdivision 3; 136A.84,

1.16 subdivision 1; 142A.03, subdivision 32; 142A.05; 142A.604, subdivision 2;

1.17 142B.01, subdivision 8; 142B.03, subdivisions 1, 2; 142B.05, subdivisions 7, 8;

1.18 142B.10, subdivision 1; 142B.12, subdivision 4; 142B.41, subdivision 3; 142D.08,

1.19 subdivisions 5, 6; 142D.20, subdivision 2; 142D.32, subdivision 2; 142E.16,

1.20 subdivision 2; 142G.22, subdivision 1; 142G.25; 142G.40, subdivision 1; 142G.57,

1.21 subdivisions 2, 4; 144E.28, subdivision 8; 145.882, subdivision 5a; 145.8821;

1.22 148B.59; 148F.165, subdivision 2; 148F.205, subdivision 5; 148F.2051; 151.72,

1.23 subdivision 2; 152.29, subdivision 5; 157.22; 169.223, subdivision 4; 169.99,

1.24 subdivision 1; 181.211, subdivision 10; 204B.06, subdivision 9; 211B.04,

1.25 subdivision 3; 214.06, subdivision 1a; 216B.16, subdivisions 6b, 6c; 216B.2411,

1.26 subdivisions 1, 2; 216B.2425, subdivision 7; 216B.2427, subdivisions 1, 2;

1.27 216C.437, subdivision 19; 216I.06, subdivision 2; 240A.03, subdivision 6; 245A.03,

1.28 subdivisions 6, 7; 245A.07, subdivision 2a; 245D.03, subdivision 2; 245F.03;

1.29 245G.11, subdivision 1; 245G.22, subdivision 6; 253B.02, subdivision 4c; 256.017,

1.30 subdivision 2; 256.043, subdivision 1; 256.9657, subdivisions 1a, 3; 256.975,

1.31 subdivisions 7d, 9; 256B.04, subdivision 15; 256B.051, subdivision 7; 256B.0624,

1.32 subdivision 4; 256B.0658; 256B.0911, subdivision 29; 256B.15, subdivision 1h;

1.33 256B.196, subdivision 2; 256B.1973, subdivision 1; 256B.431, subdivision 17d;

1.34 256B.69, subdivision 16; 256B.77, subdivisions 4, 5; 256B.85, subdivisions 7b,

1.35 20; 256D.01, subdivisions 1, 1e, 2; 256D.02, subdivision 1; 256D.03, subdivision

1.36 1; 256D.04; 256D.045; 256D.05, subdivision 8; 256D.06, subdivision 7; 256D.07;

1.37 256D.16; 256F.10, subdivisions 6, 7; 256I.04, subdivision 1; 256I.05, subdivision

1.38 1c; 256K.10, subdivision 3; 256S.21, subdivision 3; 257.05, subdivision 3;

2.1 257.0755, subdivision 3; 259.41, subdivision 1; 259.83, subdivision 1; 260.67,
 2.2 subdivision 2; 260C.001, subdivision 1; 260C.4411, subdivision 1; 260C.4412;
 2.3 260E.17, subdivision 2; 260E.33, subdivision 6a; 260E.35, subdivision 3; 275.011,
 2.4 subdivisions 1, 2; 290.01, subdivision 19; 290.0132, subdivision 32; 290.095,
 2.5 subdivision 11; 295.50, subdivision 4; 295.81, subdivision 1; 296A.06, subdivision
 2.6 1; 297A.9915, subdivision 5; 297I.20, subdivisions 1, 3; 298.75, subdivision 2;
 2.7 309.531, subdivision 2; 321.1109; 325F.071, subdivision 1; 327B.04, subdivision
 2.8 8; 332.30; 336.7-209; 336.9-317; 352.01, subdivision 2a; 353D.07, subdivision
 2.9 5; 353G.18, subdivision 2; 353G.19, subdivision 6; 356.47, subdivision 3; 363A.07,
 2.10 subdivision 4; 363A.08, subdivision 4; 424A.05, subdivision 5; 424B.13,
 2.11 subdivisions 5, 6; 424B.22, subdivisions 7, 8; 458D.08; 462A.07, subdivision 20;
 2.12 469.174, subdivision 10; 473.121, subdivision 5a; 473.164; 473.4057, subdivision
 2.13 7; 473.755, subdivision 4; 473J.12, subdivision 2; 473J.13, subdivision 3; 491A.03,
 2.14 subdivision 4; 504B.361, subdivision 1; 518.10, subdivision 1; 518.175, subdivision
 2.15 6; 518A.40, subdivision 1; 518A.41, subdivision 1; 518A.51; 518A.56, subdivision
 2.16 11; 518C.613; 609.232, subdivision 11; 611A.37, subdivision 1; 611A.372;
 2.17 624.7192; Minnesota Statutes 2025 Supplement, sections 13.46, subdivisions 2,
 2.18 4; 65B.05; 120B.117, subdivision 4; 124F.01, subdivision 2; 136A.054; 142G.01,
 2.19 subdivision 3; 148.6404; 148.6408, subdivision 2; 161.14, subdivision 109; 161.45,
 2.20 subdivision 4; 168.012, subdivision 1; 168A.01, subdivisions 18, 19, 20; 171.301,
 2.21 subdivision 1; 216B.1622, subdivision 2; 245A.04, subdivision 1; 245A.191;
 2.22 245C.08, subdivision 1; 253B.10, subdivision 1; 254B.0507, subdivision 2;
 2.23 256B.055, subdivision 12; 256B.0615, subdivision 1; 256B.0616, subdivision 1;
 2.24 256B.0924, subdivision 6; 256B.0943, subdivision 9; 256B.761, subdivision 2;
 2.25 257.0769, subdivision 1; 260.65; 297I.20, subdivision 7; 299C.061, subdivision
 2.26 1; 353D.07, subdivision 2; 357.021, subdivision 1a; 423A.022, subdivision 2;
 2.27 424A.015, subdivision 4; 473.4465, subdivision 2; 580.07, subdivisions 1, 2; Laws
 2.28 2023, chapter 1, section 22, as amended; repealing Minnesota Statutes 2024,
 2.29 sections 13.461, subdivision 16a; 137.50, subdivision 5; 142E.50, subdivisions 1,
 2.30 4, 7; 256.9756, subdivision 3; 256B.092, subdivision 4b; 256R.50, subdivision 6;
 2.31 257E.10, subdivision 11; 272.02, subdivision 31; 273.11, subdivisions 19, 20;
 2.32 273.1315, subdivision 1; 273.1385; 289A.60, subdivision 15; 297I.15, subdivision
 2.33 2; 383B.1511; 473.551; 473.552; 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10,
 2.34 11, 12, 13; 473.556, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17;
 2.35 473.561; 473.564, subdivisions 2, 3; 473.565; 473.572; 473.581; 473.592,
 2.36 subdivision 1; 473.595; 473.596; 473.598; 473.599; 473.5995; 473.76; 473.763;
 2.37 477A.18; 480.011; 504B.345, subdivision 2; Laws 2024, chapter 79, article 1,
 2.38 section 20; Laws 2025, chapter 21, sections 56; 57.

2.39 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.40 **ARTICLE 1**

2.41 **MISCELLANEOUS**

2.42 Section 1. Minnesota Statutes 2024, section 3.9215, subdivision 4, is amended to read:

2.43 Subd. 4. **Appropriation.** Money appropriated for the ombudsperson for American Indian
 2.44 families from the general fund or the special fund authorized by section 256.01, subdivision
 2.45 2, paragraph ~~(e)~~ (n), is under the control of the ombudsperson.

3.1 Sec. 2. Minnesota Statutes 2024, section 13.3806, subdivision 22, is amended to read:

3.2 Subd. 22. **Medical use of cannabis data.** Data collected under the registry program
3.3 authorized under ~~sections 152.22 to 152.37~~ section 342.52 are governed by ~~sections 152.25,~~
3.4 ~~subdivision 1; 152.28, subdivision 2; and 152.37, subdivision 3~~ section 342.59.

3.5 Sec. 3. Minnesota Statutes 2025 Supplement, section 13.46, subdivision 2, is amended to
3.6 read:

3.7 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated
3.8 by the welfare system are private data on individuals, and shall not be disclosed except:

3.9 (1) according to section 13.05;

3.10 (2) according to court order;

3.11 (3) according to a statute specifically authorizing access to the private data;

3.12 (4) to an agent or investigator acting on behalf of a county, the state, or the federal
3.13 government, including a law enforcement person or attorney in the investigation or
3.14 prosecution of a criminal, civil, or administrative proceeding relating to the administration
3.15 of a program;

3.16 (5) to personnel of the welfare system who require the data to verify an individual's
3.17 identity; determine eligibility, amount of assistance, and the need to provide services to an
3.18 individual or family across programs; coordinate services for an individual or family;
3.19 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate
3.20 suspected fraud;

3.21 (6) to administer federal funds or programs;

3.22 (7) between personnel of the welfare system working in the same program;

3.23 (8) to the Department of Revenue to administer and evaluate tax refund or tax credit
3.24 programs and to identify individuals who may benefit from these programs, and prepare
3.25 the databases for reports required under section 270C.13 and Laws 2008, chapter 366, article
3.26 17, section 6. The following information may be disclosed under this paragraph: an
3.27 individual's and their dependent's names, dates of birth, Social Security or individual taxpayer
3.28 identification numbers, income, addresses, and other data as required, upon request by the
3.29 Department of Revenue. Disclosures by the commissioner of revenue to the ~~commissioner~~
3.30 commissioners of human services and children, youth, and families for the purposes described
3.31 in this clause are governed by section 270B.14, ~~subdivision~~ subdivisions 1 and 24,
3.32 respectively. Tax refund or tax credit programs include, but are not limited to, the dependent

4.1 care credit under section 290.067, the Minnesota working family credit under section
4.2 290.0671, the property tax refund under section 290A.04, and the Minnesota education
4.3 credit under section 290.0674;

4.4 (9) between the Department of Human Services; the Department of Employment and
4.5 Economic Development; the Department of Children, Youth, and Families; Direct Care and
4.6 Treatment; and, when applicable, the Department of Education, for the following purposes:

4.7 (i) to monitor the eligibility of the data subject for unemployment benefits, for any
4.8 employment or training program administered, supervised, or certified by that agency;

4.9 (ii) to administer any rehabilitation program or child care assistance program, whether
4.10 alone or in conjunction with the welfare system;

4.11 (iii) to monitor and evaluate the Minnesota family investment program or the child care
4.12 assistance program by exchanging data on recipients and former recipients of Supplemental
4.13 Nutrition Assistance Program (SNAP) benefits, cash assistance under chapter 142F, 256D,
4.14 256J, or 256K, child care assistance under chapter 142E, medical programs under chapter
4.15 256B or 256L; and

4.16 (iv) to analyze public assistance employment services and program utilization, cost,
4.17 effectiveness, and outcomes as implemented under the authority established in Title II,
4.18 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.
4.19 Health records governed by sections 144.291 to 144.298 and "protected health information"
4.20 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code
4.21 of Federal Regulations, title 45, parts 160-164, including health care claims utilization
4.22 information, must not be exchanged under this clause;

4.23 (10) to appropriate parties in connection with an emergency if knowledge of the
4.24 information is necessary to protect the health or safety of the individual or other individuals
4.25 or persons;

4.26 (11) data maintained by residential programs as defined in section 245A.02 may be
4.27 disclosed to the protection and advocacy system established in this state according to Part
4.28 C of Public Law 98-527 to protect the legal and human rights of persons with developmental
4.29 disabilities or other related conditions who live in residential facilities for these persons if
4.30 the protection and advocacy system receives a complaint by or on behalf of that person and
4.31 the person does not have a legal guardian or the state or a designee of the state is the legal
4.32 guardian of the person;

5.1 (12) to the county medical examiner or the county coroner for identifying or locating
5.2 relatives or friends of a deceased person;

5.3 (13) data on a child support obligor who makes payments to the public agency may be
5.4 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine
5.5 eligibility under section 136A.121, subdivision 2, clause (5);

5.6 (14) participant Social Security or individual taxpayer identification numbers and names
5.7 collected by the telephone assistance program may be disclosed to the Department of
5.8 Revenue to conduct an electronic data match with the property tax refund database to
5.9 determine eligibility under section 237.70, subdivision 4a;

5.10 (15) the current address of a Minnesota family investment program participant may be
5.11 disclosed to law enforcement officers who provide the name of the participant and notify
5.12 the agency that:

5.13 (i) the participant:

5.14 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after
5.15 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the
5.16 jurisdiction from which the individual is fleeing; or

5.17 (B) is violating a condition of probation or parole imposed under state or federal law;

5.18 (ii) the location or apprehension of the felon is within the law enforcement officer's
5.19 official duties; and

5.20 (iii) the request is made in writing and in the proper exercise of those duties;

5.21 (16) the current address of a recipient of general assistance may be disclosed to probation
5.22 officers and corrections agents who are supervising the recipient and to law enforcement
5.23 officers who are investigating the recipient in connection with a felony level offense;

5.24 (17) information obtained from a SNAP applicant or recipient households may be
5.25 disclosed to local, state, or federal law enforcement officials, upon their written request, for
5.26 the purpose of investigating an alleged violation of the Food and Nutrition Act, according
5.27 to Code of Federal Regulations, title 7, section 272.1(c);

5.28 (18) the address, Social Security or individual taxpayer identification number, and, if
5.29 available, photograph of any member of a household receiving SNAP benefits shall be made
5.30 available, on request, to a local, state, or federal law enforcement officer if the officer
5.31 furnishes the agency with the name of the member and notifies the agency that:

5.32 (i) the member:

6.1 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a
6.2 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

6.3 (B) is violating a condition of probation or parole imposed under state or federal law;
6.4 or

6.5 (C) has information that is necessary for the officer to conduct an official duty related
6.6 to conduct described in subitem (A) or (B);

6.7 (ii) locating or apprehending the member is within the officer's official duties; and

6.8 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

6.9 (19) the current address of a recipient of Minnesota family investment program, general
6.10 assistance, or SNAP benefits may be disclosed to law enforcement officers who, in writing,
6.11 provide the name of the recipient and notify the agency that the recipient is a person required
6.12 to register under section 243.166, but is not residing at the address at which the recipient is
6.13 registered under section 243.166;

6.14 (20) certain information regarding child support obligors who are in arrears may be
6.15 made public according to section 518A.74;

6.16 (21) data on child support payments made by a child support obligor and data on the
6.17 distribution of those payments excluding identifying information on obligees may be
6.18 disclosed to all obligees to whom the obligor owes support, and data on the enforcement
6.19 actions undertaken by the public authority, the status of those actions, and data on the income
6.20 of the obligor or obligee may be disclosed to the other party;

6.21 (22) data in the work reporting system may be disclosed under section 142A.29,
6.22 subdivision 7;

6.23 (23) to the Department of Education for the purpose of matching Department of Education
6.24 student data with public assistance data to determine students eligible for free and
6.25 reduced-price meals, meal supplements, and free milk according to United States Code,
6.26 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state
6.27 funds that are distributed based on income of the student's family; and to verify receipt of
6.28 energy assistance for the telephone assistance plan;

6.29 (24) the current address and telephone number of program recipients and emergency
6.30 contacts may be released to the commissioner of health or a community health board as
6.31 defined in section 145A.02, subdivision 5, when the commissioner or community health
6.32 board has reason to believe that a program recipient is a disease case, carrier, suspect case,
6.33 or at risk of illness, and the data are necessary to locate the person;

7.1 (25) to other state agencies, statewide systems, and political subdivisions of this state,
7.2 including the attorney general, and agencies of other states, interstate information networks,
7.3 federal agencies, and other entities as required by federal regulation or law for the
7.4 administration of the child support enforcement program;

7.5 (26) to personnel of public assistance programs as defined in section 518A.81, for access
7.6 to the child support system database for the purpose of administration, including monitoring
7.7 and evaluation of those public assistance programs;

7.8 (27) to monitor and evaluate the Minnesota family investment program by exchanging
7.9 data between the Departments of Human Services; Children, Youth, and Families; and
7.10 Education, on recipients and former recipients of SNAP benefits, cash assistance under
7.11 chapter 142F, 256D, 256J, or 256K, child care assistance under chapter 142E, medical
7.12 programs under chapter 256B or 256L, or a medical program formerly codified under chapter
7.13 256D;

7.14 (28) to evaluate child support program performance and to identify and prevent fraud
7.15 in the child support program by exchanging data between the Department of Human Services;
7.16 Department of Children, Youth, and Families; Department of Revenue under section 270B.14,
7.17 subdivision 1, paragraphs (a) and (b), without regard to the limitation of use in paragraph
7.18 (c); Department of Health; Department of Employment and Economic Development; and
7.19 other state agencies as is reasonably necessary to perform these functions;

7.20 (29) counties and the Department of Children, Youth, and Families operating child care
7.21 assistance programs under chapter 142E may disseminate data on program participants,
7.22 applicants, and providers to the commissioner of education;

7.23 (30) child support data on the child, the parents, and relatives of the child may be
7.24 disclosed to agencies administering programs under titles IV-B and IV-E of the Social
7.25 Security Act, as authorized by federal law;

7.26 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent
7.27 necessary to coordinate services;

7.28 (32) to the chief administrative officer of a school to coordinate services for a student
7.29 and family; data that may be disclosed under this clause are limited to name, date of birth,
7.30 gender, and address;

7.31 (33) to county correctional agencies to the extent necessary to coordinate services and
7.32 diversion programs; data that may be disclosed under this clause are limited to name, client
7.33 demographics, program, case status, and county worker information; or

8.1 (34) between the Department of Human Services and the Metropolitan Council for the
8.2 following purposes:

8.3 (i) to coordinate special transportation service provided under section 473.386 with
8.4 services for people with disabilities and elderly individuals funded by or through the
8.5 Department of Human Services; and

8.6 (ii) to provide for reimbursement of special transportation service provided under section
8.7 473.386.

8.8 The data that may be shared under this clause are limited to the individual's first, last, and
8.9 middle names; date of birth; residential address; and program eligibility status with expiration
8.10 date for the purposes of informing the other party of program eligibility.

8.11 (b) Information on persons who have been treated for substance use disorder may only
8.12 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections
8.13 2.1 to 2.67.

8.14 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),
8.15 (17), or (18), or paragraph (b), are investigative data and are confidential or protected
8.16 nonpublic while the investigation is active. The data are private after the investigation
8.17 becomes inactive under section 13.82, subdivision 7, clause (a) or (b).

8.18 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are
8.19 not subject to the access provisions of subdivision 10, paragraph (b).

8.20 For the purposes of this subdivision, a request will be deemed to be made in writing if
8.21 made through a computer interface system.

8.22 Sec. 4. Minnesota Statutes 2025 Supplement, section 13.46, subdivision 4, is amended to
8.23 read:

8.24 Subd. 4. **Licensing data.** (a) As used in this subdivision:

8.25 (1) "licensing data" are all data collected, maintained, used, or disseminated by the
8.26 welfare system pertaining to persons licensed or registered or who apply for licensure or
8.27 registration or who formerly were licensed or registered under the authority of the
8.28 commissioner of human services or the commissioner of children, youth, and families;

8.29 (2) "client" means a person who is receiving services from a licensee or from an applicant
8.30 for licensure; and

9.1 (3) "personal and personal financial data" are Social Security numbers, identity of and
9.2 letters of reference, insurance information, reports from the Bureau of Criminal
9.3 Apprehension, health examination reports, and social/home studies.

9.4 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license
9.5 holders, certification holders, and former licensees are public: name, address, telephone
9.6 number of licensees, email addresses except for family child foster care, date of receipt of
9.7 a completed application, dates of licensure, licensed capacity, type of client preferred,
9.8 variances granted, record of training and education in child care and child development,
9.9 type of dwelling, name and relationship of other family members, previous license history,
9.10 class of license, the existence and status of complaints, and the number of serious injuries
9.11 to or deaths of individuals in the licensed program as reported to the commissioner of human
9.12 services; the commissioner of children, youth, and families; the local social services agency;
9.13 or any other county welfare agency. For purposes of this clause, a serious injury is one that
9.14 is treated by a physician.

9.15 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,
9.16 an order of license suspension, an order of temporary immediate suspension, an order of
9.17 license revocation, an order of license denial, or an order of conditional license has been
9.18 issued, or a complaint is resolved, the following data on current and former licensees and
9.19 applicants are public: the general nature of the complaint or allegations leading to the
9.20 temporary immediate suspension; the substance and investigative findings of the licensing
9.21 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence
9.22 of settlement negotiations; the record of informal resolution of a licensing violation; orders
9.23 of hearing; findings of fact; conclusions of law; specifications of the final correction order,
9.24 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license
9.25 contained in the record of licensing action; whether a fine has been paid; and the status of
9.26 any appeal of these actions.

9.27 (iii) When a license denial under section ~~142A.15~~ 142B.15 or 245A.05 or a sanction
9.28 under section 142B.18 or 245A.07 is based on a determination that a license holder, applicant,
9.29 or controlling individual is responsible for maltreatment under section 626.557 or chapter
9.30 260E, the identity of the applicant, license holder, or controlling individual as the individual
9.31 responsible for maltreatment is public data at the time of the issuance of the license denial
9.32 or sanction.

9.33 (iv) When a license denial under section ~~142A.15~~ 142B.15 or 245A.05 or a sanction
9.34 under section 142B.18 or 245A.07 is based on a determination that a license holder, applicant,
9.35 or controlling individual is disqualified under chapter 245C, the identity of the license

10.1 holder, applicant, or controlling individual as the disqualified individual is public data at
10.2 the time of the issuance of the licensing sanction or denial. If the applicant, license holder,
10.3 or controlling individual requests reconsideration of the disqualification and the
10.4 disqualification is affirmed, the reason for the disqualification and the reason to not set aside
10.5 the disqualification are private data.

10.6 (v) A correction order or fine issued to a child care provider for a licensing violation is
10.7 private data on individuals under section 13.02, subdivision 12, or nonpublic data under
10.8 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

10.9 (2) For applicants who withdraw their application prior to licensure or denial of a license,
10.10 the following data are public: the name of the applicant, the city and county in which the
10.11 applicant was seeking licensure, the dates of the commissioner's receipt of the initial
10.12 application and completed application, the type of license sought, and the date of withdrawal
10.13 of the application.

10.14 (3) For applicants who are denied a license, the following data are public: the name and
10.15 address of the applicant, the city and county in which the applicant was seeking licensure,
10.16 the dates of the commissioner's receipt of the initial application and completed application,
10.17 the type of license sought, the date of denial of the application, the nature of the basis for
10.18 the denial, the existence of settlement negotiations, the record of informal resolution of a
10.19 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final
10.20 order of denial, and the status of any appeal of the denial.

10.21 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the
10.22 victim and the substantiated perpetrator are affiliated with a program licensed under chapter
10.23 142B or 245A; the commissioner of human services; commissioner of children, youth, and
10.24 families; local social services agency; or county welfare agency may inform the license
10.25 holder where the maltreatment occurred of the identity of the substantiated perpetrator and
10.26 the victim.

10.27 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder
10.28 and the status of the license are public if the county attorney has requested that data otherwise
10.29 classified as public data under clause (1) be considered private data based on the best interests
10.30 of a child in placement in a licensed program.

10.31 (c) The following are private data on individuals under section 13.02, subdivision 12,
10.32 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data
10.33 on family day care program and family foster care program applicants and licensees and
10.34 their family members who provide services under the license.

11.1 (d) The following are private data on individuals: the identity of persons who have made
11.2 reports concerning licensees or applicants that appear in inactive investigative data, and the
11.3 records of clients or employees of the licensee or applicant for licensure whose records are
11.4 received by the licensing agency for purposes of review or in anticipation of a contested
11.5 matter. The names of reporters of complaints or alleged violations of licensing standards
11.6 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged
11.7 maltreatment under section 626.557 and chapter 260E, are confidential data and may be
11.8 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,
11.9 subdivision 12b.

11.10 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this
11.11 subdivision become public data if submitted to a court or administrative law judge as part
11.12 of a disciplinary proceeding in which there is a public hearing concerning a license which
11.13 has been suspended, immediately suspended, revoked, or denied.

11.14 (f) Data generated in the course of licensing investigations that relate to an alleged
11.15 violation of law are investigative data under subdivision 3.

11.16 (g) Data that are not public data collected, maintained, used, or disseminated under this
11.17 subdivision that relate to or are derived from a report as defined in section 260E.03, or
11.18 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,
11.19 subdivision 6, and 626.557, subdivision 12b.

11.20 (h) Upon request, not public data collected, maintained, used, or disseminated under
11.21 this subdivision that relate to or are derived from a report of substantiated maltreatment as
11.22 defined in section 626.557 or chapter 260E may be exchanged with the Department of
11.23 Health for purposes of completing background studies pursuant to section 144.057 and with
11.24 the Department of Corrections for purposes of completing background studies pursuant to
11.25 section 241.021.

11.26 (i) Data on individuals collected according to licensing activities under chapters 142B,
11.27 245A, and 245C and data on individuals collected by the commissioner of human services
11.28 or the commissioner of children, youth, and families according to investigations under
11.29 section 626.557 and chapters 142B, 245A, 245B, 245C, 245D, and 260E may be shared
11.30 with the Department of Human Rights, the Department of Health, the Department of
11.31 Corrections, the ombudsman for mental health and developmental disabilities, and the
11.32 individual's professional regulatory board and between the commissioners of human services
11.33 and children, youth, and families when there is reason to believe that laws or standards
11.34 under the jurisdiction of those agencies may have been violated or the information may

12.1 otherwise be relevant to the board's regulatory jurisdiction. Background study data on an
12.2 individual who is the subject of a background study under chapter 245C for a licensed
12.3 service for which the commissioner of human services; the commissioner of children, youth,
12.4 and families; or the Direct Care and Treatment executive board is the license holder may
12.5 be shared with the commissioner and the commissioner's delegate by the licensing division.
12.6 Unless otherwise specified in this chapter, the identity of a reporter of alleged maltreatment
12.7 or licensing violations may not be disclosed.

12.8 (j) In addition to the notice of determinations required under sections 260E.24,
12.9 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the
12.10 commissioner of human services; commissioner of children, youth, and families; or the
12.11 local social services agency has determined that an individual is a substantiated perpetrator
12.12 of maltreatment of a child based on sexual abuse, as defined in section 260E.03, and the
12.13 commissioner of human services; commissioner of children, youth, and families; or local
12.14 social services agency knows that the individual is a person responsible for a child's care
12.15 in another facility, the commissioner of human services; commissioner of children, youth,
12.16 and families; or local social services agency shall notify the head of that facility of this
12.17 determination. The notification must include an explanation of the individual's available
12.18 appeal rights and the status of any appeal. If a notice is given under this paragraph, the
12.19 government entity making the notification shall provide a copy of the notice to the individual
12.20 who is the subject of the notice.

12.21 (k) All not public data collected, maintained, used, or disseminated under this subdivision
12.22 and subdivision 3 may be exchanged between the Department of Human Services, Licensing
12.23 Division, and the Department of Corrections for purposes of regulating services for which
12.24 the Department of Human Services and the Department of Corrections have regulatory
12.25 authority.

12.26 Sec. 5. Minnesota Statutes 2024, section 13.461, subdivision 7a, is amended to read:

12.27 Subd. 7a. **Background studies.** (a) Access to and sharing of data for human services
12.28 background studies under chapter 245C are governed by that chapter.

12.29 (b) Disqualifying records that are the subject of an order for expungement are governed
12.30 by section 245C.22, subdivision 7, paragraph ~~(f)~~ (e).

13.1 Sec. 6. Minnesota Statutes 2024, section 13.825, subdivision 2, is amended to read:

13.2 Subd. 2. **Data classification; court-authorized disclosure.** (a) Data collected by a
13.3 portable recording system are private data on individuals or nonpublic data, subject to the
13.4 following:

13.5 (1) data that record, describe, or otherwise document actions and circumstances
13.6 surrounding either the discharge of a firearm by a peace officer in the course of duty, if a
13.7 notice is required under section 626.553, subdivision 2, or the use of force by a peace officer
13.8 that results in substantial bodily harm, as defined in section 609.02, subdivision 7a, are
13.9 public;

13.10 (2) data are public if a subject of the data requests it be made accessible to the public,
13.11 except that, if practicable, (i) data on a subject who is not a peace officer and who does not
13.12 consent to the release must be redacted, and (ii) data on a peace officer whose identity is
13.13 protected under section 13.82, subdivision 17, clause (a), must be redacted;

13.14 (3) subject to paragraphs (b) to (d), portable recording system data that are active criminal
13.15 investigative data are governed by section 13.82, subdivision 7, and portable recording
13.16 system data that are inactive criminal investigative data are governed by this section;

13.17 (4) portable recording system data that are public personnel data under section 13.43,
13.18 subdivision 2, paragraph (a), clause (5), are public; and

13.19 (5) data that are not public data under other provisions of this chapter retain that
13.20 classification.

13.21 (b) Notwithstanding section 13.82, subdivision 7, when an individual dies as a result of
13.22 a use of force by a peace officer, an involved officer's law enforcement agency must allow
13.23 the following individuals, upon their request, to inspect all portable recording system data,
13.24 redacted no more than what is required by law, documenting the incident within five days
13.25 of the request, subject to paragraphs (c) and (d):

13.26 (1) the deceased individual's next of kin;

13.27 (2) the legal representative of the deceased individual's next of kin; and

13.28 (3) the other parent of the deceased individual's child.

13.29 (c) A law enforcement agency may deny a request to inspect portable recording system
13.30 data under paragraph (b) if the agency determines that there is a compelling reason that
13.31 inspection would interfere with an active investigation. If the agency denies access under
13.32 this paragraph, the chief law enforcement officer must provide a prompt, written denial to

14.1 the individual in paragraph (b) who requested the data with a short description of the
14.2 compelling reason access was denied and must provide notice that relief may be sought
14.3 from the district court pursuant to section 13.82, subdivision 7.

14.4 (d) When an individual dies as a result of a use of force by a peace officer, an involved
14.5 officer's law enforcement agency shall release all portable recording system data, redacted
14.6 no more than what is required by law, documenting the incident no later than 14 days after
14.7 the incident, unless the chief law enforcement officer asserts in writing that the public
14.8 classification would interfere with an ongoing investigation, in which case the data remain
14.9 classified by section 13.82, subdivision 7.

14.10 (e) A law enforcement agency may redact or withhold access to portions of data that are
14.11 public under this subdivision if those portions of data are clearly offensive to common
14.12 sensibilities.

14.13 (f) Section 13.04, subdivision 2, does not apply to collection of data classified by this
14.14 subdivision.

14.15 (g) Any person may bring an action in the district court located in the county where
14.16 portable recording system data are being maintained to authorize disclosure of data that are
14.17 private or nonpublic under this section or to challenge a determination under paragraph (e)
14.18 to redact or withhold access to portions of data because the data are clearly offensive to
14.19 common sensibilities. The person bringing the action must give notice of the action to the
14.20 law enforcement agency and subjects of the data, if known. The law enforcement agency
14.21 must give notice to other subjects of the data, if known, who did not receive the notice from
14.22 the person bringing the action. The court may order that all or part of the data be released
14.23 to the public or to the person bringing the action. In making this determination, the court
14.24 shall consider whether the benefit to the person bringing the action or to the public outweighs
14.25 any harm to the public, to the law enforcement agency, or to a subject of the data and, if
14.26 the action is challenging a determination under paragraph (e), whether the data are clearly
14.27 offensive to common sensibilities. The data in dispute must be examined by the court in
14.28 camera. This paragraph does not affect the right of a defendant in a criminal proceeding to
14.29 obtain access to portable recording system data under the Rules of Criminal Procedure.

14.30 Sec. 7. Minnesota Statutes 2024, section 34.02, is amended to read:

14.31 **34.02 LICENSES; EXCEPTIONS.**

14.32 No person may manufacture, mix, or compound any soft drinks or other nonalcoholic
14.33 beverage, to be sold in bottles, barrels, kegs, jars, coolers, cans, glasses or tumblers, or other

15.1 containers, without first having obtained a license from the commissioner. License fees
15.2 shall be established in accordance with section ~~28A.05, paragraph (e)~~ 28A.08, subdivision
15.3 3. Sections 34.02 to 34.11 do not apply to beverages manufactured, mixed, or compounded
15.4 in quantities of one quart or less at one time.

15.5 Sec. 8. Minnesota Statutes 2024, section 43A.34, subdivision 3, is amended to read:

15.6 Subd. 3. **Correctional personnel exempted.** Any employee of the state of Minnesota
15.7 in a covered classification as defined in section ~~352.91~~ 352.905, who is a member of the
15.8 special retirement program for correctional personnel established pursuant to sections 352.90
15.9 to 352.95, may elect to retire from employment in the covered correctional position upon
15.10 reaching the age of 55 years.

15.11 Sec. 9. Minnesota Statutes 2024, section 52.09, subdivision 2, is amended to read:

15.12 Subd. 2. **Particular duties.** The directors shall manage the affairs of the credit union
15.13 and shall:

15.14 (1) act on applications for membership. This power may be delegated to a membership
15.15 chair who serves at the pleasure of the board of directors and is subject to its rules. An
15.16 application must contain a certification signed by the membership chair or a member of the
15.17 board showing the basis of membership;

15.18 (2) determine interest rates on loans and on deposits. The interest period on deposits
15.19 may be on a daily, monthly, quarterly, semiannual, or annual basis, and may be paid on all
15.20 deposits whether or not the deposits have been withdrawn during the interest period. Interest
15.21 may be computed on a daily basis;

15.22 (3) fix the amount of the surety bond required of all officers and employees handling
15.23 money;

15.24 (4) declare dividends and transmit to the members recommended amendments to the
15.25 bylaws;

15.26 (5) fill vacancies in the board and in the credit committee until successors are chosen
15.27 and qualify at the next annual meeting;

15.28 (6) limit the number of shares and deposits which may be owned by a member, not to
15.29 exceed ten percent of the outstanding shares and deposits, or \$2,000, whichever is larger,
15.30 and the maximum individual loan which can be made with and without security, including
15.31 liability indirectly as a comaker, guarantor, or endorser to ten percent of outstanding shares
15.32 and deposits. The ten percent share and deposit limitation is not applicable to the Minnesota

16.1 corporate credit union, or to credit unions insured by the National Credit Union

16.2 Administration;

16.3 (7) have charge of investments including loans to members. If a credit committee is
16.4 established pursuant to section 52.08 or clause (13), then the credit committee shall have
16.5 charge of loans to members;

16.6 (8) fix the salaries of the treasurer and other employees, which must be on a fixed monthly
16.7 or annual basis, in dollars (not percentage);

16.8 (9) designate the depository institution in which the funds of the credit union will be
16.9 deposited;

16.10 (10) authorize the officers of the credit union to borrow money from any source, as
16.11 provided in section 52.15;

16.12 (11) with the permission of the commissioner of commerce, suspend any member of the
16.13 credit committee or supervisory committee if it deems this action necessary to the proper
16.14 conduct of the credit union, and call the members together to act on the suspension within
16.15 a reasonable time after the suspension. The members at the meeting may, by majority vote
16.16 of those present, sustain the suspension and remove the committee members permanently
16.17 or may reinstate the committee members;

16.18 (12) provide financial assistance to the supervisory committee in carrying out its audit
16.19 responsibilities;

16.20 (13) if the bylaws so provide and no credit committee has been elected pursuant to
16.21 section 52.08, appoint a credit manager or a credit committee of not less than three members;
16.22 and

16.23 (14) ~~to~~ establish different classes of shares.

16.24 Sec. 10. Minnesota Statutes 2024, section 60D.18, subdivision 5, is amended to read:

16.25 Subd. 5. **Orders and penalties.** (a) If an acquisition violates the standards of this section,
16.26 the commissioner may enter an order:

16.27 (1) requiring an involved insurer to cease and desist from doing business in this state
16.28 with respect to the line or lines of insurance involved in the violation; or

16.29 (2) denying the application of an acquired or acquiring insurer for a license to do business
16.30 in this state.

17.1 (b) The order must not be entered unless there is a hearing, the notice of the hearing is
17.2 issued before the end of the waiting period and not less than 15 days before the hearing,
17.3 and the hearing is concluded and the order is issued no later than 60 days after the end of
17.4 the waiting period. Every order must be accompanied by a written decision of the
17.5 commissioner setting forth findings of fact and conclusions of law.

17.6 (c) An order entered under this ~~paragraph~~ subdivision shall not become final earlier than
17.7 30 days after it is issued, during which time the involved insurer may submit a plan to
17.8 remedy the anticompetitive impact of the acquisition within a reasonable time. Based upon
17.9 the plan or other information, the commissioner shall specify the conditions, if any, under
17.10 the time period during which the aspects of the acquisition causing a violation of the standards
17.11 of this section would be remedied and the order vacated or modified.

17.12 (d) An order pursuant to this subdivision does not apply if the acquisition is not
17.13 consummated.

17.14 (e) Any person who violates a cease and desist order of the commissioner and while the
17.15 order is in effect, may after notice and hearing and upon order of the commissioner, be
17.16 subject at the discretion of the commissioner to any one or more of the following:

17.17 (1) a monetary penalty of not more than \$10,000 for every day of violation;

17.18 (2) suspension or revocation of the person's license.

17.19 (f) Any insurer or other person who fails to make any filing required by this section and
17.20 who also fails to demonstrate a good faith effort to comply with the filing requirement, is
17.21 subject to a fine of not more than \$50,000.

17.22 Sec. 11. Minnesota Statutes 2024, section 62A.318, subdivision 5, is amended to read:

17.23 Subd. 5. **Contents of plan of operation.** A Medicare select issuer shall file a proposed
17.24 plan of operation with the commissioner, in a format prescribed by the commissioner. The
17.25 plan of operation shall contain at least the following information:

17.26 (1) evidence that all covered services that are subject to restricted network provisions
17.27 are available and accessible through network providers, including a demonstration that:

17.28 (i) the services can be provided by network providers with reasonable promptness with
17.29 respect to geographic location, hours of operation, and after-hour care. The hours of operation
17.30 and availability of after-hour care shall reflect usual practice in the local area. Geographic
17.31 availability shall reflect the usual travel times within the community;

18.1 (ii) the number of network providers in the service area is sufficient, with respect to
 18.2 current and expected policyholders, either:

18.3 (A) to deliver adequately all services that are subject to a restricted network provision;

18.4 or

18.5 (B) to make appropriate referrals;

18.6 (iii) there are written agreements with network providers describing specific
 18.7 responsibilities;

18.8 (iv) emergency care is available 24 hours per day and seven days per week; and

18.9 (v) in the case of covered services that are subject to a restricted network provision and
 18.10 are provided on a prepaid basis, there are written agreements with network providers
 18.11 prohibiting the providers from billing or otherwise seeking reimbursement from or recourse
 18.12 against an individual insured under a Medicare select policy or certificate. This section does
 18.13 not apply to supplemental charges or coinsurance amounts as stated in the Medicare select
 18.14 policy or certificate;

18.15 (2) a statement or map providing a clear description of the service area;

18.16 (3) a description of the grievance procedure to be used;

18.17 (4) a description of the quality assurance program, including:

18.18 (i) the formal organizational structure;

18.19 (ii) the written criteria for selection, retention, and removal of network providers; and

18.20 (iii) the procedures for evaluating quality of care provided by network providers, and
 18.21 the process to initiate corrective action when warranted;

18.22 (5) a list and description, by specialty, of the network providers;

18.23 (6) copies of the written information proposed to be used by the issuer to comply with
 18.24 ~~paragraph (i)~~ subdivision 9; and

18.25 (7) any other information requested by the commissioner.

18.26 Sec. 12. Minnesota Statutes 2024, section 65A.35, subdivision 5, is amended to read:

18.27 Subd. 5. **Administration.** (1) The Minnesota FAIR plan is administered by a board of
 18.28 nine directors, five of whom are elected by the members of the plan and four who represent
 18.29 the public. Public directors may include licensed insurance agents. Public directors are
 18.30 appointed by the commissioner. No less than two elected directors must be representatives

19.1 of domestic insurers. In the election of directors, each member of the Minnesota FAIR plan
 19.2 is allotted votes bearing the same ratio to the total number of votes to be cast as its degree
 19.3 of participation in the plan bears to the total participation.

19.4 (2) Any vacancy among the elected directors must be filled by a vote of the other elected
 19.5 directors.

19.6 (3) If at any time the members fail to elect the required number of directors to the board,
 19.7 or a vacancy remains unfilled for more than 15 days, the commissioner may appoint the
 19.8 directors necessary to constitute a full board of directors.

19.9 (4) Vacancies among directors appointed by the commissioner must be filled by
 19.10 appointment by the commissioner. A person so appointed serves until the end of the term
 19.11 of the director the person is replacing.

19.12 (5) All public directors serve for a period of two years. The terms of all public directors
 19.13 begin on July 1 of the year their appointments begin.

19.14 (6) The plan of operation must provide for adequate compensation of public directors.
 19.15 A per diem amount and a procedure for reimbursement of expenses incurred in the discharge
 19.16 of their duties must be included in the plan. Private directors are not eligible for
 19.17 compensation.

19.18 (7) At the option of the board, employees may participate in an insurance plan
 19.19 administered by the commissioner of management and budget under chapter 43A, except
 19.20 as otherwise provided in section 43A.27, subdivision 2, clause ~~(6)~~ (5).

19.21 Sec. 13. Minnesota Statutes 2025 Supplement, section 65B.05, is amended to read:

19.22 **65B.05 POWER OF FACILITY, GOVERNING COMMITTEE.**

19.23 (a) The facility is authorized to: (1) issue or cause to be issued insurance policies in the
 19.24 name of the Minnesota automobile insurance plan to applicants for the types of insurance
 19.25 available under the plan, subject to limits specified in the plan of operation; (2) underwrite
 19.26 the insurance and adjust and pay losses with respect to the plan; and (3) retain, hire, or
 19.27 appoint an individual or company to perform a function under clause (1) or (2).

19.28 (b) The governing committee shall have the power to direct the operation of the facility
 19.29 in all pursuits consistent with the purposes and terms of sections 65B.01 to 65B.12, including
 19.30 but not limited to:

19.31 (1) suing and being sued in the name of the facility and ~~assess~~ assessing each member
 19.32 in accord with its participation ratio to pay any judgment against the facility as an entity,

20.1 provided, however, that no judgment against the facility shall create any liabilities in one
20.2 or more members disproportionate to their participation ratio or an individual representing
20.3 members on the governing committee;

20.4 (2) delegating ministerial duties, hiring a manager, and contracting for goods and services
20.5 from others;

20.6 (3) assessing members on the basis of participation ratios to cover anticipated costs of
20.7 operation and administration of the facility; and

20.8 (4) imposing limitations on cancellation or nonrenewal by members of insureds covered
20.9 pursuant to placement through the facility in addition to the limitations imposed by chapter
20.10 72A and sections 65B.1311 to 65B.21.

20.11 Sec. 14. Minnesota Statutes 2024, section 65B.133, subdivision 1, is amended to read:

20.12 Subdivision 1. **Definitions.** For the purposes of this section, the terms defined in this
20.13 ~~section~~ subdivision have the meanings given them.

20.14 (a) "Computed premium" means the rate in effect before the application of a surcharge.

20.15 (b) "Chargeable accident" means an accident which is taken into consideration in applying
20.16 a surcharge.

20.17 (c) "Chargeable traffic violation" means a traffic violation which is taken into
20.18 consideration in applying a surcharge.

20.19 (d) "Policy" means a policy providing private passenger vehicle insurance, as defined
20.20 in section 65B.001, subdivision 2.

20.21 (e) "Surcharge" means any increase in premium for a policy, including the removal of
20.22 an accident-free or claim-free discount, based upon an accident or a traffic violation.

20.23 (f) "Surcharge disclosure statement" means a written statement disclosing the surcharge
20.24 plan of an insurer, the effective date of the surcharge plan, and the name of the insurer, and
20.25 any other information which the commissioner may require to be disclosed to assist insureds
20.26 in comparing surcharge plans among insurers.

20.27 (g) "Surcharge plan" means the conditions under which an insurer applies a surcharge
20.28 including but not limited to: (1) the maximum dollar amount which an insurer pays due to
20.29 an accident without applying a surcharge, (2) accidents which are not chargeable, (3)
20.30 chargeable traffic violations, (4) the length of time that an accident or a traffic violation is
20.31 chargeable, and (5) surcharge rates for the first and each successive accident or traffic
20.32 violation.

21.1 (h) "Surcharge rate" means the amount of any surcharge expressed as a percentage of
21.2 the computed premium rate or as a dollar amount surcharge, if a percentage surcharge is
21.3 not used.

21.4 Sec. 15. Minnesota Statutes 2024, section 65B.15, subdivision 1, is amended to read:

21.5 Subdivision 1. **Grounds and notice.** No cancellation or reduction in the limits of liability
21.6 of coverage during the policy period of any policy shall be effective unless notice thereof
21.7 is given and unless based on one or more reasons stated in the policy which shall be limited
21.8 to the following:

21.9 1. nonpayment of premium; or

21.10 2. the policy was obtained through a material misrepresentation; or

21.11 3. any insured made a false or fraudulent claim or knowingly aided or abetted another
21.12 in the presentation of such a claim; or

21.13 4. the named insured failed to disclose fully motor vehicle accidents and moving traffic
21.14 violations of the named insured for the preceding 36 months if called for in the written
21.15 application; or

21.16 5. the named insured failed to disclose in the written application any requested information
21.17 necessary for the acceptance or proper rating of the risk; or

21.18 6. the named insured knowingly failed to give any required written notice of loss or
21.19 notice of lawsuit commenced against the named insured, or, when requested, refused to
21.20 cooperate in the investigation of a claim or defense of a lawsuit; or

21.21 7. the named insured or any other operator who either resides in the same household, or
21.22 customarily operates an automobile insured under such policy, unless the other operator is
21.23 identified as a named insured in another policy as an insured:

21.24 (a) has, within the 36 months prior to the notice of cancellation, had that person's driver's
21.25 license under suspension or revocation because the person committed a moving traffic
21.26 violation or because the person refused to be tested under section 169A.20, subdivision 1;
21.27 or

21.28 (b) is or becomes subject to epilepsy or heart attacks, and such individual does not
21.29 produce a written opinion from a physician testifying to that person's medical ability to
21.30 operate a motor vehicle safely, such opinion to be based upon a reasonable medical
21.31 probability; or

22.1 (c) has an accident record, conviction record (criminal or traffic), physical condition or
 22.2 mental condition, any one or all of which are such that the person's operation of an automobile
 22.3 might endanger the public safety; or

22.4 (d) has been convicted, or forfeited bail, during the 24 months immediately preceding
 22.5 the notice of cancellation for criminal negligence in the use or operation of an automobile,
 22.6 or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while
 22.7 in an intoxicated condition or while under the influence of drugs; or leaving the scene of
 22.8 an accident without stopping to report; or making false statements in an application for a
 22.9 driver's license, or theft or unlawful taking of a motor vehicle; or

22.10 (e) has been convicted of, or forfeited bail for, one or more violations within the 18
 22.11 months immediately preceding the notice of cancellation, of any law, ordinance, or rule
 22.12 which justify a revocation of a driver's license; or

22.13 8. the insured automobile is:

22.14 (a) so mechanically defective that its operation might endanger public safety; or

22.15 (b) used in carrying passengers for hire or compensation, provided however that the use
 22.16 of an automobile for a car pool or a private passenger vehicle used by a volunteer driver,
 22.17 as defined under section 65B.472, subdivision 1, paragraph ~~(h)~~ (p), shall not be considered
 22.18 use of an automobile for hire or compensation; or

22.19 (c) used in the business of transportation of flammables or explosives; or

22.20 (d) an authorized emergency vehicle; or

22.21 (e) subject to an inspection law and has not been inspected or, if inspected, has failed
 22.22 to qualify within the period specified under such inspection law; or

22.23 (f) substantially changed in type or condition during the policy period, increasing the
 22.24 risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car
 22.25 or so as to give clear evidence of a use other than the original use.

22.26 Sec. 16. Minnesota Statutes 2024, section 66A.16, subdivision 2, is amended to read:

22.27 Subd. 2. **Mutual casualty companies.** (a) Any mutual insurance company which
 22.28 establishes and maintains, over and above its liabilities and the reserves required by law of
 22.29 a like stock insurance company, a guaranty fund available for the payment of losses and
 22.30 expenses at least equal to the capital stock required of a like stock insurance company may
 22.31 issue policies of insurance without contingent liability, and when the articles of incorporation
 22.32 of any mutual insurance company having this guaranty fund provide, the company may

23.1 transact any and all of the kinds of business as set forth in section 60A.06, subdivision 1,
23.2 clauses (1) to (15), subject to the restrictions and limitations imposed by law on a like stock
23.3 insurance company, and any domestic mutual company having a guaranty fund equal to the
23.4 amount of capital stock required of a like stock insurance company may insure the same
23.5 kinds of property and conduct and carry on its business, subject only to the restrictions and
23.6 limitations applicable to like domestic stock insurance companies.

23.7 (b) Subdivision 1 shall not apply to this guaranty fund except that the guaranty fund of
23.8 the company shall be invested in the same manner as is provided by law for the investment
23.9 of its other funds. Every such company shall in its annual statement show as separate items
23.10 the amount of the guaranty fund and the remaining divisible surplus, and the aggregate of
23.11 these items shall be shown as surplus to policyholders.

23.12 (c) A guaranty fund may be created, in whole or in part, in either or both of the following
23.13 ways:

23.14 (1) where an existing mutual company has a surplus, the members of the company may
23.15 at any regular or special meeting set aside from and out of its surplus such sum as shall be
23.16 fixed by resolution to be transferred to and thereafter constitute, in whole or in part, the
23.17 guaranty fund of the company; or

23.18 (2) by the issuance of guaranty fund certificates, as specified in this subdivision, the
23.19 same to be issued upon the conditions and subject to the rights and obligations specified in
23.20 this subdivision.

23.21 (d) Any such company establishing a guaranty fund, as provided in this subdivision,
23.22 may, subject to the restrictions and limitations imposed by law as to a like stock insurance
23.23 company, amend its articles to provide for the doing by it of one or more of the kinds of
23.24 insurance business specified in section 60A.06, subdivision 1, clauses (1) to (15).

23.25 (e) The policy liability of any such mutual company issuing policies without a contingent
23.26 liability shall, as to these policies, be computed upon the same basis as is applicable to like
23.27 policies issued by stock insurance companies. Where any such company shall issue five-year
23.28 term policies, wherein the premiums shall be payable in annual or biennial installments and
23.29 no premium note is taken by the company as payment of the full term premium, the company
23.30 then shall be required to maintain a reserve fund on only the portion of premiums actually
23.31 collected from time to time under these term policies and no company so creating a guaranty
23.32 fund shall issue policies without a contingent liability after the guaranty fund shall be
23.33 impaired or reduced below the capital required of a like stock insurance company doing the

24.1 same kind or kinds of insurance. Any company having a guaranty fund may insure, without
24.2 a contingent liability, any kind or class of property which a like stock company may insure.

24.3 (f) Any director, officer, or member of any mutual insurance company, or any other
24.4 person, may advance to the company any sum of money necessary for the purposes of its
24.5 business or to enable it to comply with any of the requirements of the law, including the
24.6 creation, in whole or in part, of a guaranty fund to enable it to do one or more of the kinds
24.7 of business specified in this subdivision, and for the creation by a company issuing policies
24.8 with a contingent liability of a guaranty fund, in such amount as the board of directors shall
24.9 determine, for the protection of policyholders of the company, and the moneys, together
24.10 with the interest thereon as may have been agreed upon, not exceeding ten percent per
24.11 annum, shall be repaid only out of the surplus remaining after providing for all reserves, if
24.12 any, and other liability, and which shall not otherwise be a liability or claim against the
24.13 company or any of its assets. No commission or promotion expenses shall be paid in
24.14 connection with the advance of any money to the company, and the amount of the advance
24.15 remaining unpaid shall be reported in each annual statement.

24.16 (g) The company shall issue to each person advancing money for the creation of a
24.17 guaranty fund a certificate or certificates specifying the amount advanced. These certificates
24.18 may be assigned by the holder and the transfer recorded upon the books of the company.
24.19 The holders of the guaranty fund certificates shall be entitled to annual interest thereon at
24.20 the rate agreed upon, if the net profits of the company, after all losses, expenses, liabilities,
24.21 and legal reserves, if any, have been paid or provided for, are sufficient to pay the same. If
24.22 the net profits of the company in any year are insufficient to pay the full amount of interest
24.23 agreed upon, the difference may be paid in any subsequent year from the net profits of the
24.24 subsequent years, if approval of the commissioner is obtained before accrual for or payment
24.25 of the interest.

24.26 (h) The guaranty fund shall be applied to the payment of losses and expenses when
24.27 necessary and, if the guaranty fund be impaired, the directors may make good the whole or
24.28 any part of the impairment from future net profits of the company or by the issue and sale
24.29 of additional guaranty fund certificates, but no interest shall be paid on the guaranty fund
24.30 certificates while the guaranty fund is impaired. No certificate shall be issued except for
24.31 money actually paid to the company, which amount shall be plainly and legibly stated
24.32 therein. The company shall issue certificates only in sums of \$10, or multiples thereof; it
24.33 shall keep a record of the name and address of the person to whom issued and of all
24.34 assignments thereof. Upon surrender of a certificate duly assigned in writing, the company
24.35 shall cancel the same and issue a new certificate to the assignee.

25.1 (i) Each certificate holder of record shall be entitled to one vote in person or by proxy
 25.2 at any meeting of the members of the company, for each \$10 investment in the guaranty
 25.3 fund certificates.

25.4 (j) The guaranty fund may be reduced or retired by vote of the board of directors of the
 25.5 company and the assent of the commissioner, if the net assets of the company, above its
 25.6 legal reserves, if any, and all other claims and obligations are sufficient therefor. The
 25.7 certificate holders shall be entitled to choose and elect from among their own members or
 25.8 from among the policyholders at least one-half of the total number of directors.

25.9 (k) In case the members of any company by resolution adopted at any regular meeting
 25.10 or special meeting called for that purpose shall determine to wind up and liquidate the
 25.11 business of any such company, the assets thereof shall be applied (1) to the payment of the
 25.12 expense of the liquidation; (2) to the payment of any accrued liability, including losses, if
 25.13 any; (3) to the payment of any unearned premiums on policies in force at the time of the
 25.14 liquidation; (4) to the payment of guaranty fund certificates, if any, together with accrued
 25.15 interest thereon, if any; and (5) the residue shall be distributed according to the provisions
 25.16 of chapter 60B.

25.17 Sec. 17. Minnesota Statutes 2024, section 80E.13, is amended to read:

25.18 **80E.13 UNFAIR PRACTICES BY MANUFACTURERS, DISTRIBUTORS,**
 25.19 **FACTORY BRANCHES.**

25.20 It is unlawful and an unfair practice for a manufacturer, distributor, or factory branch
 25.21 to engage in any of the following practices directly or through an entity that it controls or
 25.22 is controlled by:

25.23 ~~(a)~~ (1) delay, refuse, or fail to deliver new motor vehicles or new motor vehicle parts or
 25.24 accessories in reasonable time and in reasonable quantity relative to the new motor vehicle
 25.25 dealer's facilities and sales potential in the dealer's relevant market area, after having accepted
 25.26 an order from a new motor vehicle dealer having a franchise for the retail sale of any new
 25.27 motor vehicle sold or distributed by the manufacturer or distributor, if the new motor vehicle
 25.28 or new motor vehicle parts or accessories are publicly advertised as being available for
 25.29 delivery or actually being delivered. This clause is not violated, however, if the failure is
 25.30 caused by acts or causes beyond the control of the manufacturer;

25.31 ~~(b)~~ (2) refuse to disclose to any new motor vehicle dealer handling the same line make,
 25.32 the manner and mode of distribution of that line make within the relevant market area;

26.1 ~~(e)~~ (3) obtain money, goods, service, or any other benefit from any other person with
26.2 whom the dealer does business, on account of, or in relation to, the transaction between the
26.3 dealer and the other person, other than for compensation for services rendered, unless the
26.4 benefit is promptly accounted for, and transmitted to, the new motor vehicle dealer;

26.5 ~~(d)~~ (4) increase prices of new motor vehicles which the new motor vehicle dealer had
26.6 ordered for private retail consumers prior to the dealer's receiving the written official price
26.7 increase notification. A sales contract signed by a private retail consumer shall constitute
26.8 evidence of each order if the vehicle is in fact delivered to that customer. In the event of
26.9 manufacturer price reductions, the amount of any reduction received by a dealer shall be
26.10 passed on to the private retail consumer by the dealer if the retail price was negotiated on
26.11 the basis of the previous higher price to the dealer;

26.12 ~~(e)~~ (5) offer any refunds or other types of inducements to any new motor vehicle dealer
26.13 for the purchase of new motor vehicles of a certain line make without making the same
26.14 offer to all other new motor vehicle dealers in the same line make within geographic areas
26.15 reasonably determined by the manufacturer;

26.16 ~~(f)~~ (6) release to any outside party, except under subpoena or in an administrative or
26.17 judicial proceeding involving the manufacturer or dealer, any business, financial, or personal
26.18 information which may be provided by the dealer to the manufacturer, without the express
26.19 written consent of the dealer or unless pertinent to judicial or governmental administrative
26.20 proceedings or to arbitration proceedings of any kind;

26.21 ~~(g)~~ (7) deny any new motor vehicle dealer the right of free association with any other
26.22 new motor vehicle dealer for any lawful purpose;

26.23 ~~(h)~~ (8) unfairly discriminate among its new motor vehicle dealers with respect to warranty
26.24 reimbursement or authority granted its new vehicle dealers to make warranty adjustments
26.25 with retail customers;

26.26 ~~(i)~~ (9) compete with a new motor vehicle dealer in the same line make operating under
26.27 an agreement or franchise from the same manufacturer, distributor, or factory branch. A
26.28 manufacturer, distributor, or factory branch is considered to be competing when it has an
26.29 ownership interest, other than a passive interest held for investment purposes, in a dealership
26.30 of its line make in this state, or in a dealership of a competing line make in this state. A
26.31 manufacturer, distributor, or factory branch shall not, however, be deemed to be competing
26.32 when operating a dealership, either temporarily or for a reasonable period, which is for sale
26.33 to any qualified independent person at a fair and reasonable price, or when involved in a
26.34 bona fide relationship in which an independent person has made a significant investment

27.1 subject to loss in the dealership and can reasonably expect to acquire full ownership and
27.2 full management and operational control of the dealership within a reasonable time on
27.3 reasonable terms and conditions;

27.4 ~~(9)~~ (10) prevent a new motor vehicle dealer from transferring or assigning a new motor
27.5 vehicle dealership to a qualified transferee. There shall be no transfer, assignment of the
27.6 franchise, or major change in the executive management of the dealership, except as is
27.7 otherwise provided in sections 80E.01 to 80E.17, without consent of the manufacturer,
27.8 which shall not be withheld without good cause. In determining whether good cause exists
27.9 for withholding consent to a transfer or assignment, the manufacturer, distributor, factory
27.10 branch, or importer has the burden of proving that the transferee is a person who is not of
27.11 good moral character or does not meet the franchisor's existing and reasonable capital
27.12 standards and, considering the volume of sales and service of the new motor vehicle dealer,
27.13 reasonable business experience standards in the market area. Denial of the request must be
27.14 in writing and delivered to the new motor vehicle dealer within 60 days after the manufacturer
27.15 receives the completed application customarily used by the manufacturer, distributor, factory
27.16 branch, or importer for dealer appointments. If a denial is not sent within this period, the
27.17 manufacturer shall be deemed to have given its consent to the proposed transfer or change.
27.18 In the event of a proposed sale or transfer of a franchise, the manufacturer, distributor,
27.19 factory branch, or importer shall be permitted to exercise a right of first refusal to acquire
27.20 the franchisee's assets or ownership if:

27.21 ~~(1)~~ (i) the franchise agreement permits the manufacturer, distributor, factory branch, or
27.22 importer to exercise a right of first refusal to acquire the franchisee's assets or ownership
27.23 in the event of a proposed sale or transfer;

27.24 ~~(2)~~ (ii) the proposed transfer of the dealership or its assets is of more than 50 percent of
27.25 the ownership or assets;

27.26 ~~(3)~~ (iii) the manufacturer, distributor, factory branch, or importer notifies the dealer in
27.27 writing within 60 days of its receipt of the complete written proposal for the proposed sale
27.28 or transfer on forms generally utilized by the manufacturer, distributor, factory branch, or
27.29 importer for such purposes and containing the information required therein and all documents
27.30 and agreements relating to the proposed sale or transfer;

27.31 ~~(4)~~ (iv) the exercise of the right of first refusal will result in the dealer and dealer's owners
27.32 receiving the same or greater consideration with equivalent terms of sale as is provided in
27.33 the documents and agreements submitted to the manufacturer, distributor, factory branch,
27.34 or importer under ~~clause (3)~~ item (iii);

28.1 ~~(5)~~ (v) the proposed change of 50 percent or more of the ownership or of the dealership
28.2 assets does not involve the transfer or sale of assets or the transfer or issuance of stock by
28.3 the dealer or one or more dealer owners to a family member, including a spouse, child,
28.4 stepchild, grandchild, spouse of a child or grandchild, brother, sister, or parent of the dealer
28.5 owner; to a manager who has been employed in the dealership for at least four years and is
28.6 otherwise qualified as a dealer operator; or to a partnership or corporation owned and
28.7 controlled by one or more of such persons; and

28.8 ~~(6)~~ (vi) the manufacturer, distributor, factory branch, or importer agrees to pay the
28.9 reasonable expenses, including reasonable attorney fees, which do not exceed the usual
28.10 customary and reasonable fees charged for similar work done for other clients incurred by
28.11 the proposed new owner and transferee before the manufacturer, distributor, factory branch,
28.12 or importer exercises its right of first refusal, in negotiating and implementing the contract
28.13 for the proposed change of ownership or transfer of dealership assets. However, payment
28.14 of such expenses and attorney fees shall not be required if the dealer has not submitted or
28.15 caused to be submitted an accounting of those expenses within 20 days after the dealer's
28.16 receipt of the manufacturer, distributor, factory branch, or importer's written request for
28.17 such an accounting. The manufacturer, distributor, factory branch, or importer may request
28.18 such an accounting before exercising its right of first refusal. The obligation created under
28.19 this ~~clause~~ item is enforceable by the transferee;

28.20 ~~(k)~~ (11) threaten to modify or replace or modify or replace a franchise with a succeeding
28.21 franchise that would adversely alter the rights or obligations of a new motor vehicle dealer
28.22 under an existing franchise or that substantially impairs the sales or service obligations or
28.23 investments of the motor vehicle dealer;

28.24 ~~(h)~~ (12) unreasonably deny the right to acquire factory program vehicles to any dealer
28.25 holding a valid franchise from the manufacturer to sell the same line make of vehicles,
28.26 provided that the manufacturer may impose reasonable restrictions and limitations on the
28.27 purchase or resale of program vehicles to be applied equitably to all of its franchised dealers.
28.28 For the purposes of this ~~paragraph~~ clause, "factory program vehicle" has the meaning given
28.29 the term in section 80E.06, subdivision 2;

28.30 ~~(m)~~ (13) except as provided in ~~paragraph (n)~~ clause (14), fail or refuse to offer to its
28.31 same line make franchised dealers all models manufactured for that line make, including
28.32 alternative fuel vehicles as defined in section 216C.01, subdivision 1b. Failure to offer a
28.33 model is not a violation of this section if the failure is not arbitrary and is due to a lack of
28.34 manufacturing capacity, a strike, labor difficulty, or other cause over which the manufacturer,
28.35 distributor, or factory branch has no control;

29.1 ~~(n)~~ (14) require a dealer to pay an extra fee, or remodel, renovate, or recondition the
29.2 dealer's existing facilities, or purchase unreasonable advertising displays, training, tools, or
29.3 other materials, or to require the dealer to establish exclusive facilities or dedicated personnel
29.4 as a prerequisite to receiving a model or a series of vehicles. A manufacturer, distributor,
29.5 or factory branch may require a dealer to comply with reasonable requirements for the sale
29.6 and service of an alternative fuel vehicle or to serve an alternative fuel vehicle customer;

29.7 ~~(o)~~ (15) require a dealer by program, incentive provision, or otherwise to adhere to
29.8 performance standards that are not applied uniformly to other similarly situated dealers.

29.9 A performance standard, sales objective, or program for measuring dealership performance
29.10 that may have a material effect on a dealer, including the dealer's right to payment under
29.11 any incentive or reimbursement program, and the application of the standard or program
29.12 by a manufacturer, distributor, or factory branch must be fair, reasonable, equitable, and
29.13 based on accurate information. Upon written request by any of its franchised dealers located
29.14 within Minnesota, a manufacturer, distributor, or factory branch must provide the method
29.15 or formula used by the manufacturer in establishing the sales volumes for receiving a rebate
29.16 or incentive and the specific calculations for determining the required sales volumes of the
29.17 inquiring dealer and any of the manufacturer's other Minnesota-franchised new motor vehicle
29.18 dealers of the same line-make located within 75 miles of the inquiring dealer. Nothing
29.19 contained in this section requires a manufacturer, distributor, or factory branch to disclose
29.20 confidential business information of any of its franchised dealers or the required numerical
29.21 sales volumes that any of its franchised dealers must attain to receive a rebate or incentive.
29.22 An inquiring dealer may file a civil action as provided in section 80E.17 without a showing
29.23 of injury if a manufacturer, distributor, or factory branch fails to make the disclosure required
29.24 by this section.

29.25 A manufacturer, distributor, or factory branch has the burden of proving that the performance
29.26 standard, sales objective, or program for measuring dealership performance is fair, reasonable,
29.27 and uniformly applied under this section;

29.28 ~~(p)~~ (16) assign or change a dealer's area of sales effectiveness arbitrarily or without due
29.29 regard to the present pattern of motor vehicle sales and registrations within the dealer's
29.30 market. The manufacturer, distributor, or factory branch must provide at least 90 days' notice
29.31 of the proposed change. The change may not take effect if the dealer commences a civil
29.32 action within the 90 days' notice period to determine whether the manufacturer, distributor,
29.33 or factory branch met its obligations under this section. The burden of proof in such an
29.34 action shall be on the manufacturer or distributor. In determining at the evidentiary hearing
29.35 whether a manufacturer, distributor, or factory branch has assigned or changed the dealer's

30.1 area of sales effectiveness or is proposing to assign or change the dealer's area of sales
30.2 effectiveness arbitrarily or without due regard to the present pattern of motor vehicle sales
30.3 and registrations within the dealer's market, the court may take into consideration the relevant
30.4 circumstances, including, but not limited to:

30.5 ~~(1)~~ (i) the traffic patterns between consumers and the same line-make franchised dealers
30.6 of the affected manufacturer, distributor, or factory branch who are located within the
30.7 market;

30.8 ~~(2)~~ (ii) the pattern of new vehicle sales and registrations of the affected manufacturer,
30.9 distributor, or factory branch within various portions of the area of sales effectiveness and
30.10 within the market as a whole;

30.11 ~~(3)~~ (iii) the growth or decline in population, density of population, and new car
30.12 registrations in the market;

30.13 ~~(4)~~ (iv) the presence or absence of natural geographical obstacles or boundaries, such
30.14 as rivers;

30.15 ~~(5)~~ (v) the proximity of census tracts or other geographic units used by the affected
30.16 manufacturer, factory branch, distributor, or distributor branch in determining the same
30.17 line-make dealers' respective areas of sales effectiveness; and

30.18 ~~(6)~~ (vi) the reasonableness of the change or proposed change to the dealer's area of sales
30.19 effectiveness, considering the benefits and harm to the petitioning dealer, other same
30.20 line-make dealers, and the manufacturer, distributor, or factory branch;

30.21 ~~(7)~~ (17) to charge back, withhold payment, deny vehicle allocation, or take any other
30.22 adverse action against a dealer when a new vehicle sold by the dealer has been exported to
30.23 a foreign country, unless the manufacturer, distributor, or factory branch can show that at
30.24 the time of sale, the customer's information was listed on a known or suspected exporter
30.25 list made available to the dealer, or the dealer knew or reasonably should have known of
30.26 the purchaser's intention to export or resell the motor vehicle in violation of the
30.27 manufacturer's export policy. There is a rebuttable presumption that the dealer did not know
30.28 or should not have reasonably known that the vehicle would be exported or resold in violation
30.29 of the manufacturer's export policy if the vehicle is titled and registered in any state of the
30.30 United States; or

30.31 ~~(8)~~ (r) to implement a charge back or withhold payment to a dealer that is solely due to an
30.32 unreasonable delay by the registrar, as defined in section 168.002, subdivision 29, in the
30.33 transfer or registration of a new motor vehicle. The dealer must give the manufacturer notice

31.1 ~~of the state's delay in writing. Within 30 days of any notice of a charge back, withholding~~
 31.2 ~~of payments, or denial of a claim, the dealer must transmit to the manufacturer: (1)~~
 31.3 ~~documentation to demonstrate the vehicle sale and delivery as reported; and (2) a written~~
 31.4 ~~attestation signed by the dealer operator or general manager stating that the delay is~~
 31.5 ~~attributable to the state. This clause expires on June 30, 2022; or~~

31.6 ~~(s) (18)~~ to require a dealer or prospective dealer by program, incentive provision, or
 31.7 otherwise to construct improvements to its or a predecessor's facilities or to install new signs
 31.8 or other franchisor image elements that replace or substantially alter improvements, signs,
 31.9 or franchisor image elements completed within the preceding ten years that were required
 31.10 and approved by the manufacturer, distributor, or factory branch, including any such
 31.11 improvements, signs, or franchisor image elements that were required as a condition of the
 31.12 dealer or predecessor dealer receiving an incentive or other compensation from the
 31.13 manufacturer, distributor, or factory branch.

31.14 ~~This paragraph shall~~ clause does not apply to a program or agreement that provides lump
 31.15 sum payments to assist dealers in making facility improvements or to pay for signs or
 31.16 franchisor image elements when such payments are not dependent on the dealer selling or
 31.17 purchasing specific numbers of new vehicles and shall not apply to a program that is in
 31.18 effect with more than one Minnesota dealer on August 1, 2018, nor to any renewal of such
 31.19 program, nor to a modification that is not a substantial modification of a material term or
 31.20 condition of such program.

31.21 Sec. 18. Minnesota Statutes 2024, section 115.48, subdivision 2, is amended to read:

31.22 Subd. 2. **Powers vested.** Upon the assumption of powers as provided in subdivision 1,
 31.23 all the powers of the municipality and its governing or managing body and officers with
 31.24 respect to the subject matter of the order shall thereby be forthwith transferred to and vested
 31.25 in the agency and the commissioner, and they shall thereafter exercise the same in the name
 31.26 of the municipality or its governing or managing body or officers, as the case may require,
 31.27 until terminated as hereinafter provided. Such powers shall include, without limitation, the
 31.28 power to levy taxes, to certify such taxes for collection, to levy assessments on benefited
 31.29 property, to prescribe service or use charges, to borrow money, to issue bonds, to employ
 31.30 necessary assistance, to acquire necessary real or personal property, to let contracts or
 31.31 otherwise provide for the doing of work or the construction, installation, maintenance, or
 31.32 operation of facilities, and to do and perform for the municipality or its governing or
 31.33 managing body or officers all other acts and things required to effectuate, carry out, and
 31.34 accomplish the purposes of the order and which might have been done or performed by the

32.1 municipality or its governing or managing body or officers. The exercise of any and all such
 32.2 powers by the agency and the commissioner shall have like force and effect as if the same
 32.3 had been exercised by the municipality or by its governing or managing body or officers.
 32.4 All such acts or things done or performed by the agency or the commissioner shall be prima
 32.5 facie lawful and valid, and it shall be presumed that all requirements of law or charter
 32.6 relating thereto have been complied with. Any bond pursuant to this section in the hands
 32.7 of a holder in good faith and for value reciting that such bond is issued for the purposes of
 32.8 a disposal system, or part thereof, pursuant to the order of the agency under this section
 32.9 shall be conclusively deemed to have been issued for such purpose and in compliance with
 32.10 all requirements of law relating thereto and shall be a valid and binding instrument
 32.11 enforceable against the municipality in accordance with its terms. The impact on a
 32.12 municipality of taxes or special assessments which are likely to result from compliance with
 32.13 an order made under section ~~115.43, subdivision 3, clause (1)~~ 115.03, subdivision 1,
 32.14 paragraph (a), clause (5), item (ii), weighed against the urgency of the need for compliance
 32.15 in the light of public health and the policy and purposes of sections 115.41 to 115.53 shall
 32.16 be a relevant consideration in any judicial inquiry into the reasonableness of the order.

32.17 Sec. 19. Minnesota Statutes 2024, section 115A.28, subdivision 2, is amended to read:

32.18 Subd. 2. **Decision paramount.** The agency's decision shall be final and shall supersede
 32.19 and preempt requirements of state agencies and political subdivisions and the requirements
 32.20 of sections 473H.02 to 473H.17; except that a facility established pursuant to the decision
 32.21 shall be subject to terms, conditions, and requirements in permits of state or federal permitting
 32.22 agencies, the terms of lease determined by the agency under Minnesota Statutes 1994,
 32.23 section 115A.06, subdivision 4, and any requirements imposed pursuant to subdivision 3.
 32.24 Except as otherwise provided in this section, no charter provision, ordinance, rule, permit,
 32.25 or other requirement of any state agency or political subdivision shall prevent or restrict the
 32.26 establishment, operation, expansion, continuance, or closure of a facility in accordance with
 32.27 the final decision and leases of the agency and permits issued by state or federal permitting
 32.28 agencies.

32.29 Sec. 20. Minnesota Statutes 2024, section 118A.09, subdivision 3, is amended to read:

32.30 Subd. 3. **Funds.** (a) Qualifying governments may only invest under subdivision 2
 32.31 according to the limitations in this subdivision. A qualifying government under subdivision
 32.32 1, paragraph (a), clause (1) or (2), may only invest its funds that are held for long-term
 32.33 capital plans authorized by the city council or county board, or long-term obligations of the
 32.34 qualifying government. Long-term obligations of the qualifying government include

33.1 long-term capital plan reserves, funds held to offset long-term environmental exposure,
33.2 other postemployment benefit liabilities, compensated absences, and other long-term
33.3 obligations established by applicable accounting standards.

33.4 (b) Qualifying governments under subdivision 1, paragraph (a), clause (1) or (2), may
33.5 invest up to 15 percent of the sum of:

33.6 (1) unassigned cash;

33.7 (2) cash equivalents;

33.8 (3) deposits; and

33.9 (4) investments.

33.10 (c) The calculation in paragraph (b) must be based on the qualifying government's most
33.11 recent audited statement of net position, which must be compliant and audited pursuant to
33.12 governmental accounting and auditing standards. Once the amount invested reaches 15
33.13 percent of the sum of unassigned cash, cash equivalents, deposits, and investments, no
33.14 further funds may be invested under this section; however, a qualifying government may
33.15 continue to manage the funds previously invested under this section even if the total amount
33.16 subsequently exceeds 15 percent of the sum of unassigned cash, cash equivalents, deposits,
33.17 and investments.

33.18 Sec. 21. Minnesota Statutes 2025 Supplement, section 120B.117, subdivision 4, is amended
33.19 to read:

33.20 Subd. 4. **Reporting.** The Department of Education must collaborate with the Professional
33.21 Educator Licensing and Standards Board and the Office of Higher Education to publish a
33.22 summary report of each of the programs they administer and any other programs receiving
33.23 state appropriations that have or include an explicit purpose of increasing the racial and
33.24 ethnic diversity of the state's teacher workforce to more closely reflect the diversity of
33.25 students. The report must include programs under sections 122A.59, 122A.63, 122A.635,
33.26 122A.70, 122A.73, 124D.09, 124D.861, 136A.1274, and 136A.1276, ~~and 136A.1791~~, along
33.27 with any other programs or initiatives that receive state appropriations to address the shortage
33.28 of teachers of color and American Indian teachers. The commissioner must, in coordination
33.29 with the Professional Educator Licensing and Standards Board and the Office of Higher
33.30 Education, provide policy and funding recommendations related to state-funded programs
33.31 to increase the recruitment, preparation, licensing, hiring, and retention of racially and
33.32 ethnically diverse teachers and the state's progress toward meeting or exceeding the goals
33.33 of this section. The report must include recommendations for state policy and funding needed

34.1 to achieve the goals of this section, plans for sharing the report and activities of grant
 34.2 recipients, and opportunities among grant recipients of various programs to share effective
 34.3 practices with each other. The initial report must also include a recommendation of whether
 34.4 a state advisory council should be established to address the shortage of racially and ethnically
 34.5 diverse teachers and what the composition and charge of such an advisory council would
 34.6 be if established. The commissioner must consult with the Indian Affairs Council and other
 34.7 ethnic councils along with other community partners, including students of color and
 34.8 American Indian students, in developing the report. The commissioner must submit the
 34.9 report to the chairs and ranking minority members of the legislative committees with
 34.10 jurisdiction over education and higher education policy and finance by November 3, 2025,
 34.11 for the initial report, and by November 3 each even-numbered year thereafter. The report
 34.12 must be available to the public on the commissioner's website.

34.13 Sec. 22. Minnesota Statutes 2024, section 120B.234, subdivision 2, is amended to read:

34.14 Subd. 2. **Curriculum.** School districts may consult with other federal, state, or local
 34.15 agencies and community-based organizations, including the Child Welfare Information
 34.16 Gateway website maintained by the United States Department of Health and Human Services,
 34.17 to identify research-based tools, curricula, and programs to prevent child sexual abuse for
 34.18 use under section 120B.021, subdivision 1, paragraph ~~(d)~~ (c).

34.19 Sec. 23. Minnesota Statutes 2024, section 120B.303, subdivision 1, is amended to read:

34.20 Subdivision 1. **Graduation requirements.** For students enrolled in grade 8 in the
 34.21 2012-2013 school year and later, students' state graduation requirements, based on a
 34.22 longitudinal, systematic approach to student education and career planning, assessment,
 34.23 instructional support, and evaluation, include the following:

34.24 (1) achievement and career and college readiness in mathematics, reading, and writing,
 34.25 consistent with ~~paragraph (k)~~ section 120B.307, subdivision 4, paragraph (d), and to the
 34.26 extent available, to monitor students' continuous development of and growth in requisite
 34.27 knowledge and skills; analyze students' progress and performance levels, identifying students'
 34.28 academic strengths and diagnosing areas where students require curriculum or instructional
 34.29 adjustments, targeted interventions, or remediation; and, based on analysis of students'
 34.30 progress and performance data, determine students' learning and instructional needs and
 34.31 the instructional tools and best practices that support academic rigor for the student; and

34.32 (2) consistent with this paragraph and section 120B.125, age-appropriate exploration
 34.33 and planning activities and career assessments to encourage students to identify personally

35.1 relevant career interests and aptitudes and help students and their families develop a regularly
 35.2 reexamined transition plan for postsecondary education or employment without need for
 35.3 postsecondary remediation.

35.4 Based on appropriate state guidelines, students with an individualized education program
 35.5 may satisfy state graduation requirements by achieving an individual score on the
 35.6 state-identified alternative assessments.

35.7 Sec. 24. Minnesota Statutes 2024, section 121A.15, subdivision 3b, is amended to read:

35.8 Subd. 3b. **Child care programs.** A child care center licensed under chapter ~~245A~~ 142B
 35.9 and Minnesota Rules, chapter 9503, and a family child care provider licensed under chapter
 35.10 ~~245A~~ 142B and Minnesota Rules, chapter 9502, may adopt a policy prohibiting a child over
 35.11 two months of age from enrolling or remaining enrolled in the child care center or family
 35.12 child care program if the child:

35.13 (1) has not been immunized in accordance with subdivision 1 or 2 and in accordance
 35.14 with Minnesota Rules, chapter 4604; and

35.15 (2) is not exempt from immunizations under subdivision 3, paragraph (a), (c), (e), or (f).

35.16 Sec. 25. Minnesota Statutes 2024, section 121A.15, subdivision 11, is amended to read:

35.17 Subd. 11. **Commissioner of children, youth, and families; continued**
 35.18 **responsibilities.** Nothing in this section relieves the commissioner of children, youth, and
 35.19 families of the responsibility, under chapter ~~245A~~ 142B, to inspect and assure that statements
 35.20 required by this section are on file at child care programs subject to licensure.

35.21 Sec. 26. Minnesota Statutes 2024, section 121A.425, subdivision 1, is amended to read:

35.22 Subdivision 1. **Disciplinary dismissals prohibited.** (a) A pupil enrolled in the following
 35.23 is not subject to dismissals under this chapter:

35.24 (1) a preschool or prekindergarten program, including an early childhood family
 35.25 education, school readiness, ~~school readiness plus~~, voluntary prekindergarten, Head Start,
 35.26 or other school-based preschool or prekindergarten program; or

35.27 (2) kindergarten through grade 3.

35.28 (b) This provision does not apply to a dismissal from school for less than one school
 35.29 day, except as provided under chapter 125A and federal law for a student receiving special
 35.30 education services.

36.1 (c) Notwithstanding this subdivision, expulsions and exclusions may be used only after
36.2 resources outlined in subdivision 2 have been exhausted, and only in circumstances where
36.3 there is an ongoing serious safety threat to the child or others.

36.4 Sec. 27. Minnesota Statutes 2024, section 124D.03, subdivision 3, is amended to read:

36.5 Subd. 3. **Pupil application procedures.** (a) In order that a pupil may attend a school or
36.6 program in a nonresident district, the pupil's parent or guardian must submit an application
36.7 to the nonresident district. The pupil's application must identify a reason for enrolling in
36.8 the nonresident district. The parent or guardian of a pupil must submit a signed application
36.9 by January 15 for initial enrollment beginning the following school year. The application
36.10 must be on a form provided by the Department of Education. A particular school or program
36.11 may be requested by the parent. Once enrolled in a nonresident district, the pupil may remain
36.12 enrolled and is not required to submit annual or periodic applications. If the student moves
36.13 to a new resident district, the student retains the seat in the nonresident district, but must
36.14 submit a new enrollment options form to update the student's information. To return to the
36.15 resident district or to transfer to a different nonresident district, the parent or guardian of
36.16 the pupil must provide notice to the resident district or apply to a different nonresident
36.17 district by January 15 for enrollment beginning the following school year.

36.18 (b) A school district may require a nonresident student enrolled in a program under
36.19 section 125A.13, or in a preschool program, except for a program under section ~~142D.07~~
36.20 ~~or~~ 142D.08, to follow the application procedures under this subdivision to enroll in
36.21 kindergarten. A district must allow a nonresident student enrolled in a program under section
36.22 ~~142D.07 or~~ 142D.08 to remain enrolled in the district when the student enters kindergarten
36.23 without submitting annual or periodic applications, unless the district terminates the student's
36.24 enrollment under subdivision 12.

36.25 Sec. 28. Minnesota Statutes 2024, section 124D.094, subdivision 2, is amended to read:

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

36.30 (b) When online instruction is provided, an online teacher as defined under subdivision
36.31 1, paragraph (h), shall perform all duties of teacher of record under Minnesota Rules, part
36.32 8710.0310. Unless the commissioner grants a waiver, a teacher providing online instruction
36.33 shall not instruct more than 40 students in any one online learning course or section.

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

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

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

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

37.15 (g) An enrolling district providing digital instruction shall establish and document
37.16 procedures for determining attendance for membership and keep accurate records of daily
37.17 attendance under section ~~120A.21~~ 120A.22.

37.18 Sec. 29. Minnesota Statutes 2024, section 124D.096, is amended to read:

37.19 **124D.096 ONLINE LEARNING AID.**

37.20 (a) The online learning aid for an online learning provider equals the product of the
37.21 adjusted online learning average daily membership for students under section ~~124D.095~~,
37.22 ~~subdivision 8, paragraph (d)~~ 124D.094, subdivision 7, paragraph (b), times the student grade
37.23 level weighting under section 126C.05, subdivision 1, times the formula allowance.

37.24 (b) Notwithstanding section 127A.45, the department must pay each online learning
37.25 provider the current year aid payment percentage multiplied by the amount in paragraph
37.26 (a) within 45 days of receiving final enrollment and course completion information each
37.27 quarter or semester. The final adjustment payment must be the amount of the actual
37.28 entitlement, after adjustment for actual data, minus the payments made during the fiscal
37.29 year of the entitlement. This payment must be made on September 30 of the next fiscal year.

37.30 Sec. 30. Minnesota Statutes 2024, section 124D.59, subdivision 2, is amended to read:

37.31 Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through
37.32 grade 12; an early childhood special education student under Part B, section 619, of the

38.1 Individuals with Disabilities Education Act, United States Code, title 20, section 1419; or
38.2 a prekindergarten student enrolled in an approved voluntary prekindergarten program under
38.3 section 142D.08 ~~or a school readiness plus program~~ who meets the requirements under
38.4 subdivision 2a or the following requirements:

38.5 (1) the pupil, as declared by a parent or guardian first learned a language other than
38.6 English, comes from a home where the language usually spoken is other than English, or
38.7 usually speaks a language other than English; and

38.8 (2) the pupil is determined by a valid assessment measuring the pupil's English language
38.9 proficiency and by developmentally appropriate measures, which might include observations,
38.10 teacher judgment, parent recommendations, or developmentally appropriate assessment
38.11 instruments, to lack the necessary English skills to participate fully in academic classes
38.12 taught in English.

38.13 (b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the
38.14 previous school year took a commissioner-provided assessment measuring the pupil's
38.15 emerging academic English, shall be counted as an English learner in calculating English
38.16 learner pupil units under section 126C.05, subdivision 17, and shall generate state English
38.17 learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff
38.18 score or is otherwise counted as a nonproficient participant on the assessment measuring
38.19 the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers,
38.20 consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic
38.21 language proficiency in English, including oral academic language, sufficient to successfully
38.22 and fully participate in the general core curriculum in the regular classroom.

38.23 (c) Notwithstanding paragraphs (a) and (b), a pupil in early childhood special education
38.24 or prekindergarten under section 142D.08, through grade 12 shall not be counted as an
38.25 English learner in calculating English learner pupil units under section 126C.05, subdivision
38.26 17, and shall not generate state English learner aid under section 124D.65, subdivision 5,
38.27 if:

38.28 (1) the pupil is not enrolled during the current fiscal year in an educational program for
38.29 English learners under sections 124D.58 to 124D.64; or

38.30 (2) the pupil has generated seven or more years of average daily membership in Minnesota
38.31 public schools since July 1, 1996.

39.1 Sec. 31. Minnesota Statutes 2025 Supplement, section 124F.01, subdivision 2, is amended
39.2 to read:

39.3 Subd. 2. **Exemptions from laws and rules.** (a) Notwithstanding any other law to the
39.4 contrary, an innovation zone partner with an approved plan is exempt from each of the
39.5 following state education laws and rules specifically identified in its plan:

39.6 (1) any law or rule from which a district-created, site-governed school under section
39.7 123B.045 is exempt;

39.8 (2) any statute or rule from which the commissioner has exempted another district or
39.9 charter school, as identified in the list published on the Department of Education's website
39.10 under subdivision 4, paragraph (b);

39.11 (3) online learning program approval under section ~~124D.095, subdivision 7,~~ 124D.094
39.12 if the school district or charter school offers a course or program online combined with
39.13 direct access to a teacher for a portion of that course or program;

39.14 (4) restrictions on extended time revenue under section 126C.10, subdivision 2a, for a
39.15 student who meets the criteria of section 124D.68, subdivision 2; and

39.16 (5) any required hours of instruction in any class or subject area for a student who is
39.17 meeting all competencies consistent with the graduation standards described in the innovation
39.18 zone plan.

39.19 (b) The exemptions under this subdivision must not be construed as exempting an
39.20 innovation zone partner from the Minnesota Comprehensive Assessments.

39.21 Sec. 32. Minnesota Statutes 2024, section 125A.76, subdivision 2f, is amended to read:

39.22 Subd. 2f. **Special education homeless pupil aid.** (a) For fiscal year 2024 and later,
39.23 special education homeless pupil aid must be paid to a school district that is funded for that
39.24 year based on the district's fiscal year 2016 expenditures calculated under Minnesota Statutes
39.25 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012,
39.26 sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted daily
39.27 membership for the current fiscal year to the district's average daily membership for fiscal
39.28 year 2016, and the minimum aid adjustment factor.

39.29 (b) Special education homeless pupil aid equals the greater of zero, or a district's prior
39.30 year transportation costs under section 123B.92, subdivision 1, paragraph (b), clause (4),
39.31 items ~~(ii)~~ (i) and ~~(vii)~~ (vi), and the additional cost of transporting a student in a shelter care
39.32 facility as defined in section 260C.007, subdivision 30, a homeless student in another district

40.1 to the school of origin, or a formerly homeless student from a permanent home in another
 40.2 district to the school of origin but only through the end of the academic year; minus the
 40.3 fiscal year 2016 costs associated with transportation costs under section 123B.92, subdivision
 40.4 1, paragraph (b), clause (4), items ~~(ii)~~ (i) and ~~(vii)~~ (vi), and the additional cost of transporting
 40.5 a student in a shelter care facility as defined in section 260C.007, subdivision 30, a homeless
 40.6 student in another district to the school of origin, or a formerly homeless student from a
 40.7 permanent home in another district to the school of origin, but only through the end of the
 40.8 academic year; adjusted by the ratio of the district's adjusted daily membership for the
 40.9 current fiscal year to the district's average daily membership for fiscal year 2016, and the
 40.10 minimum aid adjustment factor.

40.11 Sec. 33. Minnesota Statutes 2024, section 126C.05, subdivision 1, is amended to read:

40.12 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age
 40.13 of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in
 40.14 average daily membership enrolled in the district of residence, in another district under
 40.15 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
 40.16 chapter 124E; or for whom the resident district pays tuition under sections 123A.18, 123A.22,
 40.17 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03
 40.18 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

40.19 (a) A prekindergarten pupil with a disability who is enrolled in a program approved by
 40.20 the commissioner and has an individualized education program is counted as the ratio of
 40.21 the number of hours of assessment and education service to 825 times 1.0 with a minimum
 40.22 average daily membership of 0.28, but not more than 1.0 pupil unit.

40.23 (b) A prekindergarten pupil who is assessed but determined not to be disabled is counted
 40.24 as the ratio of the number of hours of assessment service to 825 times 1.0.

40.25 (c) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled
 40.26 in an approved voluntary prekindergarten program under section 142D.08 is counted as the
 40.27 ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil
 40.28 units.

40.29 (d) A kindergarten pupil is counted as 1.0 pupil unit if the pupil is enrolled in a free
 40.30 all-day, every day kindergarten program available to all kindergarten pupils at the pupil's
 40.31 school that meets the minimum hours requirement in section 120A.41, or is counted as .55
 40.32 pupil unit, if the pupil is not enrolled in a free all-day, every day kindergarten program
 40.33 available to all kindergarten pupils at the pupil's school.

- 41.1 (e) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.
- 41.2 (f) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.
- 41.3 (g) A pupil who is in the postsecondary enrollment options program is counted as 1.2
- 41.4 pupil units.

41.5 ~~(h) A prekindergarten pupil who:~~

41.6 ~~(1) is not included in paragraph (a), (b), or (c);~~

41.7 ~~(2) is enrolled in a school readiness plus program under section 142D.07; and~~

41.8 ~~(3) has one or more of the risk factors specified by the eligibility requirements for a~~

41.9 ~~school readiness plus program;~~

41.10 ~~is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more~~

41.11 ~~than 0.6 pupil units. A pupil qualifying under this paragraph must be counted in the same~~

41.12 ~~manner as a voluntary prekindergarten student for all general education and other school~~

41.13 ~~funding formulas.~~

41.14 Sec. 34. Minnesota Statutes 2024, section 126C.17, subdivision 9, is amended to read:

41.15 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,

41.16 subdivision 1, may be increased in the amount approved by the voters of the district at a

41.17 referendum called for the purpose. The referendum may be called by the board. The

41.18 referendum must be conducted one or two calendar years before the increased levy authority,

41.19 if approved, first becomes payable. Only one election to approve an increase may be held

41.20 in a calendar year. Unless the referendum is conducted by mail under subdivision 11,

41.21 paragraph (a), the referendum must be held on the first Tuesday after the first Monday in

41.22 November. The ballot must state the maximum amount of the increased revenue per adjusted

41.23 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue

41.24 per adjusted pupil unit that differs from year to year over the number of years for which the

41.25 increased revenue is authorized or may state that the amount shall increase annually by the

41.26 rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase

41.27 calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum

41.28 levy authority is expiring. In this case, the ballot may also compare the proposed levy

41.29 authority to the existing expiring levy authority, and express the proposed increase as the

41.30 amount, if any, over the expiring referendum levy authority. The ballot must designate the

41.31 specific number of years, not to exceed ten, for which the referendum authorization applies.

41.32 The ballot, including a ballot on the question to revoke or reduce the increased revenue

41.33 amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per

42.1 pupil." The notice required under section 275.60 may be modified to read, in cases of
42.2 renewing existing levies at the same amount per pupil as in the previous year:

42.3 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO
42.4 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED
42.5 TO EXPIRE."

42.6 The ballot may contain a textual portion with the information required in this subdivision
42.7 and a question stating substantially the following:

42.8 "Shall the increase in the revenue proposed by (~~petition to~~) the board of, School
42.9 District No. ..., be approved?"

42.10 If approved, an amount equal to the approved revenue per adjusted pupil unit times the
42.11 adjusted pupil units for the school year beginning in the year after the levy is certified shall
42.12 be authorized for certification for the number of years approved, if applicable, or until
42.13 revoked or reduced by the voters of the district at a subsequent referendum.

42.14 (b) The board must deliver by mail at least 15 days but no more than 45 days before the
42.15 day of the referendum to each taxpayer a notice of the referendum and the proposed revenue
42.16 increase. The board need not mail more than one notice to any taxpayer. For the purpose
42.17 of giving mailed notice under this subdivision, owners must be those shown to be owners
42.18 on the records of the county auditor or, in any county where tax statements are mailed by
42.19 the county treasurer, on the records of the county treasurer. Every property owner whose
42.20 name does not appear on the records of the county auditor or the county treasurer is deemed
42.21 to have waived this mailed notice unless the owner has requested in writing that the county
42.22 auditor or county treasurer, as the case may be, include the name on the records for this
42.23 purpose. The notice must project the anticipated amount of tax increase in annual dollars
42.24 for typical residential homesteads, agricultural homesteads, apartments, and
42.25 commercial-industrial property within the school district.

42.26 The notice for a referendum may state that an existing referendum levy is expiring and
42.27 project the anticipated amount of increase over the existing referendum levy in the first
42.28 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,
42.29 apartments, and commercial-industrial property within the district.

42.30 The notice must include the following statement: "Passage of this referendum will result
42.31 in an increase in your property taxes." However, in cases of renewing existing levies, the
42.32 notice may include the following statement: "Passage of this referendum extends an existing
42.33 operating referendum at the same amount per pupil as in the previous year."

43.1 (c) A referendum on the question of revoking or reducing the increased revenue amount
43.2 authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke
43.3 or reduce the revenue amount must state the amount per adjusted pupil unit by which the
43.4 authority is to be reduced. Revenue authority approved by the voters of the district pursuant
43.5 to paragraph (a) must be available to the school district at least once before it is subject to
43.6 a referendum on its revocation or reduction for subsequent years. Only one revocation or
43.7 reduction referendum may be held to revoke or reduce referendum revenue for any specific
43.8 year and for years thereafter.

43.9 (d) The approval of 50 percent plus one of those voting on the question is required to
43.10 pass a referendum authorized by this subdivision.

43.11 (e) At least 15 days before the day of the referendum, the district must submit a copy of
43.12 the notice required under paragraph (b) to the commissioner and to the county auditor of
43.13 each county in which the district is located. Within 15 days after the results of the referendum
43.14 have been certified by the board, or in the case of a recount, the certification of the results
43.15 of the recount by the canvassing board, the district must notify the commissioner of the
43.16 results of the referendum.

43.17 Sec. 35. Minnesota Statutes 2024, section 126C.40, subdivision 5, is amended to read:

43.18 Subd. 5. **Energy conservation.** For energy loans approved after March 1, 1998, under
43.19 sections 216C.37 and 298.292 to ~~298.298~~ 298.297, school districts must annually transfer
43.20 from the general fund to the debt redemption fund the amount sufficient to pay interest and
43.21 principal on the loans.

43.22 Sec. 36. Minnesota Statutes 2024, section 135A.15, subdivision 1, is amended to read:

43.23 Subdivision 1. **Applicability; policy required.** (a) This section applies to the following
43.24 postsecondary institutions:

43.25 (1) institutions governed by the Board of Trustees of the Minnesota State Colleges and
43.26 Universities; and

43.27 (2) private postsecondary institutions that offer in-person courses on a campus located
43.28 in Minnesota and which are eligible institutions as defined in section 136A.103, subdivision
43.29 1, paragraph (a), that are participating in the federal program under Title IV of the Higher
43.30 Education Act of 1965, Public Law 89-329, as amended.

43.31 Institutions governed by the Board of Regents of the University of Minnesota are
43.32 requested to comply with this section.

44.1 (b) A postsecondary institution must adopt a clear, understandable written policy on
44.2 sexual misconduct that informs victims of their rights under the crime victims bill of rights,
44.3 including the right to assistance from the Crime Victims Reimbursement Board and the
44.4 commissioner of public safety. The policy must apply to students and employees and must
44.5 provide information about their rights and duties. The policy must apply to criminal incidents
44.6 against a student or employee of a postsecondary institution occurring on property owned
44.7 or leased by the postsecondary system or institution or at any activity, program, organization,
44.8 or event sponsored by the system or institution, or by a fraternity or sorority, or any activity,
44.9 program, organization, or event sponsored by the system or institution, or by a fraternity or
44.10 sorority, regardless of whether the activity, program, organization, or event occurs on or
44.11 off property owned or leased by the postsecondary system or institution. It must include
44.12 procedures for reporting incidents of sexual misconduct and for disciplinary actions against
44.13 violators. During student registration, a postsecondary institution shall provide each student
44.14 with information regarding its policy. A copy of the policy also shall be posted at appropriate
44.15 locations on campus at all times.

44.16 Sec. 37. Minnesota Statutes 2024, section 136A.031, subdivision 3, is amended to read:

44.17 Subd. 3. **Student Advisory Council.** (a) A Student Advisory Council (SAC) to the
44.18 office is established. The members of SAC shall include: the chair of the University of
44.19 Minnesota student senate; the state chair of the Minnesota State University Student
44.20 Association; the president of the Minnesota State College Student Association and an officer
44.21 of the Minnesota State College Student Association, one in a community college course of
44.22 study and one in a technical college course of study; a student who is enrolled in a private
44.23 nonprofit postsecondary institution, to be elected by students enrolled in Minnesota Private
44.24 College Council institutions; a student who is enrolled in a private career school, to be
44.25 elected by students enrolled in Minnesota private career schools; and a student who is
44.26 enrolled in a Minnesota tribal college to be elected by students enrolled in Minnesota tribal
44.27 colleges. If students from the private career schools or tribal colleges do not elect a
44.28 representative, the commissioner must appoint a student representative. If students from
44.29 the Minnesota Private College Council institutions do not elect a representative, the
44.30 Minnesota Private College Council must appoint the private nonprofit representative. A
44.31 member may be represented by a student designee who attends an institution from the same
44.32 system that the absent member represents. The SAC shall select one of its members to serve
44.33 as chair.

44.34 (b) The office shall inform the SAC of all matters related to student issues under
44.35 consideration. The SAC shall report to the office quarterly and at other times that the SAC

45.1 considers desirable. The SAC shall determine its meeting times, but it shall also meet with
45.2 the office within 30 days after the commissioner's request for a meeting.

45.3 (c) The SAC shall:

45.4 (1) bring to the attention of the office any matter that the SAC believes needs the attention
45.5 of the office;

45.6 ~~(2) fulfill the requirements under section 135A.137, subdivision 2;~~

45.7 ~~(3)~~ (2) make recommendations to the office as it finds appropriate; and

45.8 ~~(4)~~ (3) approve student appointments by the office for each advisory group as provided
45.9 in subdivision 4.

45.10 Sec. 38. Minnesota Statutes 2025 Supplement, section 136A.054, is amended to read:

45.11 **136A.054 CONSOLIDATED COMPETITIVE GRANT AND STUDENT LOAN**
45.12 **REPAYMENT PROGRAM REPORTING.**

45.13 (a) The commissioner of the Office of Higher Education shall report annually by February
45.14 15 to the chairs and ranking minority members of the legislative committees with jurisdiction
45.15 over higher education on the details of programs administered under sections ~~136A.1789,~~
45.16 ~~136A.1791,~~ 136A.1794, 136A.1795, 136A.861, and 136A.915 including the following,
45.17 where applicable:

45.18 (1) organizations receiving grant awards;

45.19 (2) grant award amounts and utilization rates;

45.20 (3) grant program activities, goals, and outcomes;

45.21 (4) grant matching sources and funding levels;

45.22 (5) number and amount of loan repayment awards disbursed; and

45.23 (6) demographic data of loan repayment program participants.

45.24 (b) The commissioner must report any additional data and outcomes relevant to the
45.25 evaluation of programs administered under sections ~~136A.1789, 136A.1791,~~ 136A.1794,
45.26 136A.1795, 136A.861, and 136A.915 as evidenced by activities funded under each program.

45.27 Sec. 39. Minnesota Statutes 2024, section 136A.1241, subdivision 2, is amended to read:

45.28 Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have
45.29 the meanings given.

46.1 (b) "Adoption" means adoption of an individual who has been in the care and custody
46.2 of a responsible social services agency or Tribal social services agency and in foster care.

46.3 (c) "Eligible institution" means an eligible public institution or an eligible private
46.4 institution.

46.5 (d) "Eligible private institution" or "private institution" means an institution eligible for
46.6 state student aid under section 136A.103, subdivision 1, paragraph (a), clause (2).

46.7 (e) "Eligible public institution" or "public institution" means an institution operated by
46.8 the Board of Trustees of the Minnesota State Colleges and Universities or the Board of
46.9 Regents of the University of Minnesota.

46.10 (f) "Foster care" has the meaning given in section 260C.007, subdivision 18.

46.11 (g) "Foster grant" means a grant under this section.

46.12 (h) "Office" means the Office of Higher Education.

46.13 (i) "Recognized cost of attendance" means the amount calculated under subdivision 4.

46.14 (j) "Responsible social services agency" has the meaning given in section 260C.007,
46.15 subdivision 27a.

46.16 (k) "Tribal social services agency" has the meaning given in section 260.755, subdivision
46.17 21.

46.18 Sec. 40. Minnesota Statutes 2024, section 136A.829, subdivision 3, is amended to read:

46.19 Subd. 3. **Powers and duties.** The office shall have (in addition to the powers and duties
46.20 now vested therein by law) the following powers and duties:

46.21 (a) To negotiate and enter into interstate reciprocity agreements with similar agencies
46.22 in other states, if in the judgment of the office such agreements are or will be helpful in
46.23 effectuating the purposes of Laws 1973, chapter 714;

46.24 (b) To grant conditional private career school license for periods of less than one year
46.25 if in the judgment of the office correctable deficiencies exist at the time of application and
46.26 when refusal to issue private career school license would adversely affect currently enrolled
46.27 students;

46.28 (c) The office may upon its own motion, and shall upon the verified complaint in writing
46.29 of any person setting forth fact which, if proved, would constitute grounds for refusal or
46.30 revocation under Laws 1973, chapter 714, investigate the actions of any applicant or any
46.31 person or persons holding or claiming to hold a license or permit. However, before proceeding

47.1 to a hearing on the question of whether a license or permit shall be refused, revoked or
 47.2 suspended for any cause enumerated in subdivision 1, the office shall grant a reasonable
 47.3 time to the holder of or applicant for a license or permit to correct the situation. If within
 47.4 such time the situation is corrected and the private career school is in compliance with the
 47.5 provisions of sections 136A.82 to 136A.834, no further action leading to refusal, revocation,
 47.6 or suspension shall be taken.

47.7 (d) To grant a private career school a probationary license for periods of less than three
 47.8 years if, in the judgment of the office, correctable deficiencies exist at the time of application
 47.9 that need more than one year to correct and when the risk of harm to students can be
 47.10 minimized through the use of restrictions and requirements as conditions of the license.
 47.11 Probationary licenses may include requirements and restrictions for:

47.12 (1) periodic monitoring and submission of reports on the school's deficiencies to ascertain
 47.13 whether compliance improves;

47.14 (2) periodic collaborative consultations with the school on noncompliance with sections
 47.15 136A.82 to 136A.834 or how the institution is managing compliance;

47.16 (3) the submission of contingency plans such as teach-out plans or transfer pathways
 47.17 for students;

47.18 (4) a prohibition from accepting tuition and fee payments prior to the add/drop period
 47.19 of the current period of instruction or before the funds have been earned by the school
 47.20 according to the refund requirements of section 136A.827;

47.21 (5) a prohibition from enrolling new students;

47.22 (6) enrollment caps;

47.23 (7) the initiation of alternative processes and communications with students enrolled at
 47.24 the school to notify students of deficiencies or probation status;

47.25 (8) the submission of a surety under section 136A.822, subdivision 6, paragraph (b),
 47.26 ~~clause (1)~~, that exceeds ten percent of the preceding year's net revenue from student tuition,
 47.27 fees, and other required institutional charges collected; or

47.28 (9) submission of closure information under section 136A.8225.

47.29 Sec. 41. Minnesota Statutes 2024, section 136A.84, subdivision 1, is amended to read:

47.30 Subdivision 1. **Authorization.** The commissioner shall administer the direct admissions
 47.31 program in consultation with stakeholders, including Minnesota State Colleges and
 47.32 Universities, the University of Minnesota, the Student Advisory Council under section

48.1 136A.031, the Minnesota Department of Education, the Minnesota Association of Secondary
48.2 School Principals, and the Minnesota School Board Association, to automatically offer
48.3 conditional admission into an eligible public or nonprofit institution as defined under section
48.4 136A.103, subdivision 1, paragraph (a), located in Minnesota, to Minnesota high school
48.5 seniors based on a student's high school grade point average, high school and college
48.6 transcript information, standardized tests, statewide assessments, and other measures as
48.7 determined by stakeholders.

48.8 Sec. 42. Minnesota Statutes 2024, section 142A.03, subdivision 32, is amended to read:

48.9 Subd. 32. **Duties of commissioner of children, youth, and families.** It shall be the duty
48.10 of the commissioner of children, youth, and families to promote the enforcement of all laws
48.11 for the protection of children with developmental disabilities and dependent, neglected, and
48.12 delinquent children, to cooperate to this end with juvenile courts and all reputable
48.13 child-helping and child-placing agencies of a public or private character, and to take the
48.14 initiative in all matters involving the interests of such children where adequate provision
48.15 therefor has not already been made. The commissioner may appoint a chief executive officer
48.16 and such assistants as shall be necessary to carry out the purposes of this section ~~and section~~
48.17 ~~257.33~~.

48.18 Sec. 43. Minnesota Statutes 2024, section 142A.05, is amended to read:

48.19 **142A.05 RULEMAKING.**

48.20 (a) The commissioner may use the procedure in section 14.386, paragraph (a), to adopt
48.21 rules necessary to implement the responsibilities transferred under this article or through
48.22 section 16B.37. Section 14.386, paragraph (b), does not apply to these rules.

48.23 (b) The commissioner must amend Minnesota Rules to make conforming changes related
48.24 to the transfer of responsibilities under Laws 2023, chapter 70, article 12, or through section
48.25 16B.37. The commissioner must obtain the approval of the commissioners of human services,
48.26 education, health, and public safety for any amendments to or repeal of rules in existence
48.27 on July 1, 2024, and administered under the authority of those agencies.

48.28 (c) The time limit in section 14.125 is extended to 36 months for rulemaking under
48.29 paragraphs (a) and (b). The commissioner must publish a notice of intent to adopt rules or
48.30 a notice of hearing within 36 months of the effective date reported under section ~~142A.05~~
48.31 Laws 2023, chapter 70, article 12, section 30, subdivision 1, paragraph (c).

49.1 (d) The commissioner may adopt rules for the administration of activities related to the
49.2 department. Rules adopted under this paragraph are subject to the rulemaking requirements
49.3 of chapter 14.

49.4 Sec. 44. Minnesota Statutes 2024, section 142A.604, subdivision 2, is amended to read:

49.5 Subd. 2. **Placement in foster care.** To be eligible for foster care benefits under this
49.6 section, the child must be in placement away from the child's legal parent, guardian, or
49.7 Indian custodian as defined in section 260.755, subdivision 10, and must meet one of the
49.8 criteria in clause (1) and either clause (2) or (3):

49.9 (1) the legally responsible agency must have placement authority to place the child with:

49.10 (i) a voluntary placement agreement or a court order, consistent with sections 260B.198,
49.11 260C.001, and 260D.01, or consistent with section 260C.451 for a child 18 years old or
49.12 older and under age 21 who maintains eligibility for foster care; or (ii) a voluntary placement
49.13 agreement or court order by a Minnesota tribe that is consistent with United States Code,
49.14 title 42, section 672(a)(2); and

49.15 (2) the child is placed with a licensed child foster parent who resides with the child; or

49.16 (3) the child is placed in one of the following unlicensed child foster care settings:

49.17 (i) an emergency relative placement under tribal licensing regulations or section 142B.06,
49.18 with the legally responsible agency ensuring the relative completes the required child foster
49.19 care application process;

49.20 (ii) a licensed adult foster home with an approved age variance under section 245A.16
49.21 for no more than six months where the license holder resides with the child;

49.22 (iii) for a child 18 years old or older and under age 21 who is eligible for extended foster
49.23 care under section 260C.451, an unlicensed supervised independent living setting approved
49.24 by the agency responsible for the child's care; or

49.25 (iv) a preadoptive placement in a home specified in section ~~245A.03~~ 142B.05, subdivision
49.26 2, paragraph (a), clause ~~(9)~~ (5), with an approved adoption home study and signed adoption
49.27 placement agreement.

49.28 Sec. 45. Minnesota Statutes 2024, section 142B.01, subdivision 8, is amended to read:

49.29 Subd. 8. **Controlling individual.** (a) "Controlling individual" means an owner of a
49.30 program or service provider licensed under this chapter and the following individuals, if
49.31 applicable:

50.1 (1) each officer of the organization, including the chief executive officer and chief
50.2 financial officer;

50.3 (2) the individual designated as the authorized agent under section 142B.10, subdivision
50.4 1, paragraph (b);

50.5 ~~(3) the individual designated as the compliance officer under section 256B.04, subdivision~~
50.6 ~~21, paragraph (g);~~

50.7 ~~(4)~~ (3) each managerial official whose responsibilities include the direction of the
50.8 management or policies of a program;

50.9 ~~(5)~~ (4) the individual designated as the primary provider of care for a special family
50.10 child care program under section 142B.41, subdivision 4, paragraph (d); and

50.11 ~~(6)~~ (5) the president and treasurer of the board of directors of a nonprofit corporation.

50.12 (b) Controlling individual does not include:

50.13 (1) a bank, savings bank, trust company, savings association, credit union, industrial
50.14 loan and thrift company, investment banking firm, or insurance company unless the entity
50.15 operates a program directly or through a subsidiary;

50.16 (2) an individual who is a state or federal official, or state or federal employee, or a
50.17 member or employee of the governing body of a political subdivision of the state or federal
50.18 government that operates one or more programs, unless the individual is also an officer,
50.19 owner, or managerial official of the program; receives remuneration from the program; or
50.20 owns any of the beneficial interests not excluded in this subdivision;

50.21 (3) an individual who owns less than five percent of the outstanding common shares of
50.22 a corporation:

50.23 (i) whose securities are exempt under section 80A.45, clause (6); or

50.24 (ii) whose transactions are exempt under section 80A.46, clause (2);

50.25 (4) an individual who is a member of an organization exempt from taxation under section
50.26 290.05, unless the individual is also an officer, owner, or managerial official of the program
50.27 or owns any of the beneficial interests not excluded in this subdivision. This clause does
50.28 not exclude from the definition of controlling individual an organization that is exempt from
50.29 taxation; or

50.30 (5) an employee stock ownership plan trust, or a participant or board member of an
50.31 employee stock ownership plan, unless the participant or board member is a controlling
50.32 individual according to paragraph (a).

51.1 (c) For purposes of this subdivision, "managerial official" means an individual who has
51.2 the decision-making authority related to the operation of the program, and the responsibility
51.3 for the ongoing management of or direction of the policies, services, or employees of the
51.4 program. A site director who has no ownership interest in the program is not considered to
51.5 be a managerial official for purposes of this definition.

51.6 Sec. 46. Minnesota Statutes 2024, section 142B.03, subdivision 1, is amended to read:

51.7 Subdivision 1. **Record retention; license holder requirements.** (a) A license holder
51.8 must maintain and store records in a manner that will allow for review by the commissioner
51.9 as identified in section 142B.10, subdivision ~~5~~ 12. The following records must be maintained
51.10 as specified and in accordance with applicable state or federal law, regulation, or rule:

51.11 (1) service recipient records, including verification of service delivery, must be maintained
51.12 for a minimum of five years following discharge or termination of service;

51.13 (2) personnel records must be maintained for a minimum of five years following
51.14 termination of employment; and

51.15 (3) program administration and financial records must be maintained for a minimum of
51.16 five years from the date the program closes.

51.17 (b) A license holder who ceases to provide services must maintain all records related to
51.18 the licensed program for five years from the date the program closes. The license holder
51.19 must notify the commissioner of the location where the licensing records will be stored and
51.20 the name of the person responsible for maintaining the stored records.

51.21 (c) If the ownership of a licensed program or service changes, the transferor, unless
51.22 otherwise provided by law or written agreement with the transferee, is responsible for
51.23 maintaining, preserving, and making available to the commissioner on demand the license
51.24 records generated before the date of the transfer.

51.25 (d) In the event of a contested case, the license holder must retain records as required
51.26 in paragraph (a) or until the final agency decision is issued and the conclusion of any related
51.27 appeal, whichever period is longer.

51.28 Sec. 47. Minnesota Statutes 2024, section 142B.03, subdivision 2, is amended to read:

51.29 Subd. 2. **Electronic records; license holder use.** A license holder's use of electronic
51.30 record keeping or electronic signatures must meet the following requirements:

52.1 (1) use of electronic record keeping or electronic signatures does not alter the license
52.2 holder's obligations under state or federal law, regulation, or rule;

52.3 (2) the license holder must ensure that the use of electronic record keeping does not limit
52.4 the commissioner's access to records as specified under section 142B.10, subdivision ~~5~~ 12;

52.5 (3) upon request, the license holder must assist the commissioner in accessing and
52.6 copying all records, including encrypted records and electronic signatures; and

52.7 (4) the license holder must establish a mechanism or procedure to ensure that:

52.8 (i) the act of creating the electronic record or signature is attributable to the license
52.9 holder, according to section 325L.09;

52.10 (ii) the electronic records and signatures are maintained in a form capable of being
52.11 retained and accurately reproduced;

52.12 (iii) the commissioner has access to information that establishes the date and time that
52.13 data and signatures were entered into the electronic record; and

52.14 (iv) the license holder's use of electronic record keeping or electronic signatures does
52.15 not compromise the security of the records.

52.16 Sec. 48. Minnesota Statutes 2024, section 142B.05, subdivision 7, is amended to read:

52.17 Subd. 7. **Excluded school-age programs; right to seek or continue licensure.** Nothing
52.18 in this section shall prohibit a school-age program that is excluded from licensure under
52.19 subdivision 2, paragraph (a), clause ~~(27)~~ (17), from seeking a license or continuing to be
52.20 licensed under this chapter.

52.21 Sec. 49. Minnesota Statutes 2024, section 142B.05, subdivision 8, is amended to read:

52.22 Subd. 8. **Excluded providers seeking licensure.** Nothing in this section shall prohibit
52.23 a program that is excluded from licensure under subdivision 2, paragraph (a), clause ~~(26)~~
52.24 (16), from seeking licensure. The commissioner shall ensure that any application received
52.25 from such an excluded provider is processed in the same manner as all other applications
52.26 for child care center licensure.

52.27 Sec. 50. Minnesota Statutes 2024, section 142B.10, subdivision 1, is amended to read:

52.28 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government
52.29 entity that is subject to licensure under section 142B.05 must apply for a license. The
52.30 application must be made on the forms and in the manner prescribed by the commissioner.

53.1 The commissioner shall provide the applicant with instruction in completing the application
53.2 and provide information about the rules and requirements of other state agencies that affect
53.3 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of
53.4 Minnesota must have a program office located within 30 miles of the Minnesota border.
53.5 An applicant who intends to buy or otherwise acquire a program or services licensed under
53.6 this chapter that is owned by another license holder must apply for a license under this
53.7 chapter and comply with the application procedures in this section and section ~~142B.11~~
53.8 142B.15.

53.9 The commissioner shall act on the application within 90 working days after a complete
53.10 application and any required reports have been received from other state agencies or
53.11 departments, counties, municipalities, or other political subdivisions. The commissioner
53.12 shall not consider an application to be complete until the commissioner receives all of the
53.13 required information.

53.14 When the commissioner receives an application for initial licensure that is incomplete
53.15 because the applicant failed to submit required documents or that is substantially deficient
53.16 because the documents submitted do not meet licensing requirements, the commissioner
53.17 shall provide the applicant written notice that the application is incomplete or substantially
53.18 deficient. In the written notice to the applicant the commissioner shall identify documents
53.19 that are missing or deficient and give the applicant 45 days to resubmit a second application
53.20 that is substantially complete. An applicant's failure to submit a substantially complete
53.21 application after receiving notice from the commissioner is a basis for license denial under
53.22 section 142B.11.

53.23 (b) An application for licensure must identify all controlling individuals as defined in
53.24 section 142B.01, subdivision 8, and must designate one individual to be the authorized
53.25 agent. The application must be signed by the authorized agent and must include the authorized
53.26 agent's first, middle, and last name; mailing address; and email address. By submitting an
53.27 application for licensure, the authorized agent consents to electronic communication with
53.28 the commissioner throughout the application process. The authorized agent must be
53.29 authorized to accept service on behalf of all of the controlling individuals. A government
53.30 entity that holds multiple licenses under this chapter may designate one authorized agent
53.31 for all licenses issued under this chapter or may designate a different authorized agent for
53.32 each license. Service on the authorized agent is service on all of the controlling individuals.
53.33 It is not a defense to any action arising under this chapter that service was not made on each
53.34 controlling individual. The designation of a controlling individual as the authorized agent

54.1 under this paragraph does not affect the legal responsibility of any other controlling individual
54.2 under this chapter.

54.3 (c) An applicant or license holder must have a policy that prohibits license holders,
54.4 employees, subcontractors, and volunteers, when directly responsible for persons served
54.5 by the program, from abusing prescription medication or being in any manner under the
54.6 influence of a chemical that impairs the individual's ability to provide services or care. The
54.7 license holder must train employees, subcontractors, and volunteers about the program's
54.8 drug and alcohol policy.

54.9 (d) An applicant and license holder must have a program grievance procedure that permits
54.10 persons served by the program and their authorized representatives to bring a grievance to
54.11 the highest level of authority in the program.

54.12 (e) The commissioner may limit communication during the application process to the
54.13 authorized agent or the controlling individuals identified on the license application and for
54.14 whom a background study was initiated under chapter 245C. Upon implementation of the
54.15 provider licensing and reporting hub, applicants and license holders must use the hub in the
54.16 manner prescribed by the commissioner. The commissioner may require the applicant,
54.17 except for child foster care, to demonstrate competence in the applicable licensing
54.18 requirements by successfully completing a written examination. The commissioner may
54.19 develop a prescribed written examination format.

54.20 (f) When an applicant is an individual, the applicant must provide:

54.21 (1) the applicant's taxpayer identification numbers including the Social Security number
54.22 or Minnesota tax identification number, and federal employer identification number if the
54.23 applicant has employees;

54.24 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
54.25 of state that includes the complete business name, if any;

54.26 (3) if doing business under a different name, the doing business as (DBA) name, as
54.27 registered with the secretary of state;

54.28 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique
54.29 Minnesota Provider Identifier (UMPI) number; and

54.30 (5) at the request of the commissioner, the notarized signature of the applicant or
54.31 authorized agent.

54.32 (g) When an applicant is an organization, the applicant must provide:

55.1 (1) the applicant's taxpayer identification numbers including the Minnesota tax
55.2 identification number and federal employer identification number;

55.3 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
55.4 of state that includes the complete business name, and if doing business under a different
55.5 name, the doing business as (DBA) name, as registered with the secretary of state;

55.6 (3) the first, middle, and last name, and address for all individuals who will be controlling
55.7 individuals, including all officers, owners, and managerial officials as defined in section
55.8 142B.01, subdivision 8, and the date that the background study was initiated by the applicant
55.9 for each controlling individual;

55.10 (4) if applicable, the applicant's NPI number and UMPI number;

55.11 (5) the documents that created the organization and that determine the organization's
55.12 internal governance and the relations among the persons that own the organization, have
55.13 an interest in the organization, or are members of the organization, in each case as provided
55.14 or authorized by the organization's governing statute, which may include a partnership
55.15 agreement, bylaws, articles of organization, organizational chart, and operating agreement,
55.16 or comparable documents as provided in the organization's governing statute; and

55.17 (6) the notarized signature of the applicant or authorized agent.

55.18 (h) When the applicant is a government entity, the applicant must provide:

55.19 (1) the name of the government agency, political subdivision, or other unit of government
55.20 seeking the license and the name of the program or services that will be licensed;

55.21 (2) the applicant's taxpayer identification numbers including the Minnesota tax
55.22 identification number and federal employer identification number;

55.23 (3) a letter signed by the manager, administrator, or other executive of the government
55.24 entity authorizing the submission of the license application; and

55.25 (4) if applicable, the applicant's NPI number and UMPI number.

55.26 (i) At the time of application for licensure or renewal of a license under this chapter, the
55.27 applicant or license holder must acknowledge on the form provided by the commissioner
55.28 if the applicant or license holder elects to receive any public funding reimbursement from
55.29 the commissioner for services provided under the license that:

55.30 (1) the applicant's or license holder's compliance with the provider enrollment agreement
55.31 or registration requirements for receipt of public funding may be monitored by the
55.32 commissioner as part of a licensing investigation or licensing inspection; and

56.1 (2) noncompliance with the provider enrollment agreement or registration requirements
 56.2 for receipt of public funding that is identified through a licensing investigation or licensing
 56.3 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for
 56.4 reimbursement for a service, may result in:

56.5 (i) a correction order or a conditional license under section 142B.16, or sanctions under
 56.6 section 142B.18;

56.7 (ii) nonpayment of claims submitted by the license holder for public program
 56.8 reimbursement;

56.9 (iii) recovery of payments made for the service;

56.10 (iv) disenrollment in the public payment program; or

56.11 (v) other administrative, civil, or criminal penalties as provided by law.

56.12 Sec. 51. Minnesota Statutes 2024, section 142B.12, subdivision 4, is amended to read:

56.13 Subd. 4. **License fee for certain programs.** (a) Child care centers shall pay an annual
 56.14 nonrefundable license fee based on the following schedule:

56.15	Licensed Capacity	Child Care Center License Fee
56.16	1 to 24 persons	\$200
56.17	25 to 49 persons	\$300
56.18	50 to 74 persons	\$400
56.19	75 to 99 persons	\$500
56.20	100 to 124 persons	\$600
56.21	125 to 149 persons	\$700
56.22	150 to 174 persons	\$800
56.23	175 to 199 persons	\$900
56.24	200 to 224 persons	\$1,000
56.25	225 or more persons	\$1,100

56.26 (b) A private agency licensed to provide foster care and adoption services under
 56.27 Minnesota Rules, parts 9545.0755 to ~~9545.0845~~ 9545.0835, shall pay an annual
 56.28 nonrefundable license fee of \$875.
 56.29

56.30 Sec. 52. Minnesota Statutes 2024, section 142B.41, subdivision 3, is amended to read:

56.31 Subd. 3. **Conditional license.** Until such time as the commissioner adopts appropriate
 56.32 rules for conditional licenses, no license holder or applicant for a family or group family

57.1 day care license is required to spend more than \$100 to meet fire safety rules in excess of
57.2 those required to meet Group "R" occupancies under the Uniform Building Code, chapter
57.3 12, as incorporated by reference in Minnesota Rules, part ~~1305.0100~~ 1305.0011.

57.4 When the commissioner determines that an applicant or license holder of a family or
57.5 group family day care license would be required to spend over \$100 for physical changes
57.6 to ensure fire safety, the commissioner may issue a conditional license when all of the
57.7 following conditions have been met:

57.8 (a) The commissioner shall notify the license holder or applicant in writing of the fire
57.9 safety deficiencies.

57.10 (b) The commissioner shall notify the license holder or applicant in writing of alternative
57.11 compliance standards that would correct deficiencies, if available.

57.12 (c) The license holder or applicant agrees in writing to notify each parent, on a form
57.13 prescribed by the commissioner that requires the signature of the parent, of the fire safety
57.14 deficiencies, and the existence of the conditional license.

57.15 Sec. 53. Minnesota Statutes 2024, section 142D.08, subdivision 5, is amended to read:

57.16 Subd. 5. **Application process; priority for high poverty schools.** (a) To qualify for
57.17 program approval for fiscal year 2026, a district or charter school must submit an application
57.18 to the commissioner by January 30, 2025. Thereafter, the commissioner must accept
57.19 applications and approve programs every four years. To qualify for program approval after
57.20 fiscal year 2026, a school district or charter school must submit an application to the
57.21 commissioner by January 30 of the fiscal year prior to the fiscal year in which the program
57.22 will be implemented. The application must include:

57.23 (1) a description of the proposed program, including the number of hours per week the
57.24 program will be offered at each school site or mixed-delivery location;

57.25 (2) an estimate of the number of eligible children to be served in the program at each
57.26 school site or mixed-delivery location; and

57.27 (3) a statement of assurances signed by the superintendent or charter school director that
57.28 the proposed program meets the requirements of subdivision 2.

57.29 (b) The commissioner must review all applications by March 1 of the fiscal year in which
57.30 the applications are received and determine whether each application meets the requirements
57.31 of paragraph (a).

58.1 (c) The commissioner must divide all applications for new or expanded voluntary
 58.2 prekindergarten programs under this section meeting the requirements of paragraph (a) ~~and~~
 58.3 ~~school readiness plus programs~~ into five groups as follows: the Minneapolis school district;
 58.4 the St. Paul school district; other school districts located in the metropolitan equity region
 58.5 as defined in section 126C.10, subdivision 28; school districts located in the rural equity
 58.6 region as defined in section 126C.10, subdivision 28; and charter schools. Within each
 58.7 group, the applications must be ordered by rank using a sliding scale based on the following
 58.8 criteria:

58.9 (1) concentration of kindergarten students eligible for free or reduced-price meals by
 58.10 school site on October 1 of the previous school year. A school site may contract to partner
 58.11 with a community-based provider or Head Start under subdivision 3 or establish an early
 58.12 childhood center and use the concentration of kindergarten students eligible for free or
 58.13 reduced-price meals from a specific school site as long as those eligible children are
 58.14 prioritized and guaranteed services at the mixed-delivery site or early education center. For
 58.15 school district programs to be operated at locations that do not have free and reduced-price
 58.16 meals concentration data for kindergarten programs for October 1 of the previous school
 58.17 year, including mixed-delivery programs, the school district average concentration of
 58.18 kindergarten students eligible for free or reduced-price meals must be used for the rank
 58.19 ordering;

58.20 (2) presence or absence of a three- or four-star Parent Aware rated program within the
 58.21 school district or close proximity of the district. School sites with the highest concentration
 58.22 of kindergarten students eligible for free or reduced-price meals that do not have a three-
 58.23 or four-star Parent Aware program within the district or close proximity of the district shall
 58.24 receive the highest priority, and school sites with the lowest concentration of kindergarten
 58.25 students eligible for free or reduced-price meals that have a three- or four-star Parent Aware
 58.26 rated program within the district or close proximity of the district shall receive the lowest
 58.27 priority; and

58.28 (3) whether the district has implemented a mixed delivery system.

58.29 Sec. 54. Minnesota Statutes 2024, section 142D.08, subdivision 6, is amended to read:

58.30 Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1,
 58.31 paragraph (c), the pupil units for a voluntary prekindergarten program for an eligible school
 58.32 district or charter school must not exceed 60 percent of the kindergarten pupil units for that
 58.33 school district or charter school under section 126C.05, subdivision 1, paragraph (d).

59.1 (b) In reviewing applications under subdivision 5 and allocating seats under subdivision
 59.2 5a, the commissioner must limit the total number of participants in the voluntary
 59.3 prekindergarten ~~and school readiness plus programs under section 142D.07, program~~ to not
 59.4 more than ~~7,160 participants for fiscal year 2024 and~~ 12,360 participants for fiscal year
 59.5 ~~2025 and later.~~

59.6 Sec. 55. Minnesota Statutes 2024, section 142D.20, subdivision 2, is amended to read:

59.7 Subd. 2. **Grants.** (a) The commissioner shall distribute money provided by this section
 59.8 through grants to one or more nonprofit corporations to plan, develop, and finance early
 59.9 childhood education and child care sites. A nonprofit corporation must have demonstrated
 59.10 the ability to analyze financing projects, have knowledge of other sources of public and
 59.11 private financing for child care and early childhood education sites, and have a relationship
 59.12 with regional resource and referral programs. The board of directors of a nonprofit
 59.13 corporation must include members who are knowledgeable about early childhood education,
 59.14 child care, development and improvement, and financing.

59.15 (b) The commissioners of the Departments of ~~Human Services,~~ Children, Youth, and
 59.16 Families; Employment and Economic Development;₂ and the Housing Finance Agency
 59.17 shall advise the boards of any nonprofit corporations that use the grant money provided
 59.18 under this section for loan programs as described in subdivision 3, paragraph (a), clauses
 59.19 (1) to (4). All loans made by a nonprofit corporation under this section must comply with
 59.20 section 363A.16.

59.21 Sec. 56. Minnesota Statutes 2024, section 142D.32, subdivision 2, is amended to read:

59.22 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
 59.23 meanings given.

59.24 (b) "Apprentice" means an employee participating in an early childhood registered
 59.25 apprenticeship program.

59.26 (c) "Early childhood registered apprenticeship program" means an organization holding
 59.27 the TEACH license with the Department of Children, Youth, and Families that is registered
 59.28 with the Department of Labor and Industry under chapter 178.

59.29 (d) "Early childhood signatory employer" means an employer that participates in an
 59.30 early childhood registered apprenticeship program and employs an apprentice and that is:

59.31 (1) a licensed child care center under Minnesota Rules, chapter 9503;

60.1 (2) a licensed family and group family child care provider under Minnesota Rules,
60.2 chapter 9502;

60.3 (3) an early childhood family education program under section 142D.10; a school
60.4 readiness program under section 142D.05; a voluntary prekindergarten program under
60.5 section 142D.08; or a special education program under chapter 125A; or a school readiness
60.6 plus program under section 142D.07;

60.7 (4) a Head Start program under United States Code, title 42, section 9801, et seq.;

60.8 (5) a certified license-exempt child care center under chapter 142C; or

60.9 (6) a Tribally licensed child care program.

60.10 (e) "Mentor" means an early childhood registered apprenticeship program journeyworker
60.11 under section 178.011, subdivision 9, who has a career lattice step of nine or higher.

60.12 Sec. 57. Minnesota Statutes 2024, section 142E.16, subdivision 2, is amended to read:

60.13 Subd. 2. **Background study required.** (a) This subdivision only applies to legal,
60.14 nonlicensed family child care providers.

60.15 (b) Prior to authorization, the commissioner of ~~children, youth, and families~~ human
60.16 services shall perform a background study on individuals identified under section 245C.02,
60.17 subdivision 6a.

60.18 (c) After authorization, a background study must also be performed when an individual
60.19 identified under section 245C.02, subdivision 6a, joins the household. The provider must
60.20 report all family changes that would require a new background study.

60.21 (d) At each reauthorization, the commissioner of children, youth, and families must
60.22 ensure that a background study through NETStudy 2.0 has been performed on all individuals
60.23 in the provider's household for whom a background study is required under paragraphs (b)
60.24 and (c).

60.25 (e) Prior to a background study through NETStudy 2.0 expiring, another background
60.26 study must be completed on all individuals for whom the background study is expiring.

60.27 (f) The commissioner of ~~children, youth, and families~~ human services shall forward the
60.28 background study determination to the commissioner of children, youth, and families, who
60.29 shall grant or deny authorization as a legal nonlicensed family child care provider based on
60.30 the commissioner of human service's determination.

61.1 Sec. 58. Minnesota Statutes 2025 Supplement, section 142G.01, subdivision 3, is amended
61.2 to read:

61.3 Subd. 3. **Relationship to other statutes and rules.** MFIP replaces eligibility for families
61.4 with children and pregnant women under the general assistance program, governed by
61.5 sections 256D.01 to ~~256D.21~~ 256D.17 and Minnesota Rules, parts 9500.1200 to 9500.1261.

61.6 Sec. 59. Minnesota Statutes 2024, section 142G.22, subdivision 1, is amended to read:

61.7 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP
61.8 eligibility prospectively based on assessing income and the county agency's best estimate
61.9 of the circumstances that will exist in the payment month.

61.10 (b) A county agency must calculate the amount of the assistance payment using
61.11 prospective budgeting. To determine MFIP eligibility and the assistance payment amount,
61.12 a county agency must apply countable income, described in sections 142G.31, subdivisions
61.13 5 to 12, and 256P.06, received by members of an assistance unit or by other persons whose
61.14 income is counted for the assistance unit, described under sections 142G.31, subdivisions
61.15 1 to 4, and 256P.06, subdivision 1.

61.16 (c) This income must be applied to the MFIP standard of need or family wage level
61.17 subject to this section and sections ~~142G.30~~, 142G.32, and 142G.33. Countable income as
61.18 described in section 256P.06, subdivision 3, received must be applied to the needs of an
61.19 assistance unit.

61.20 (d) An assistance unit is not eligible when the countable income equals or exceeds the
61.21 MFIP standard of need or the family wage level for the assistance unit.

61.22 Sec. 60. Minnesota Statutes 2024, section 142G.25, is amended to read:

61.23 **142G.25 REPORTING REQUIREMENTS.**

61.24 The commissioner of children, youth, and families, in cooperation with the commissioner
61.25 of employment and economic development, shall develop reporting requirements for county
61.26 agencies and employment and training service providers according to section 256.01,
61.27 subdivision 2, paragraph ~~(p)~~ (o). Reporting requirements must, to the extent possible, use
61.28 existing client tracking systems and must be within the limits of funds available. The
61.29 requirements must include summary information necessary for state agencies and the
61.30 legislature to evaluate the effectiveness of the services.

62.1 Sec. 61. Minnesota Statutes 2024, section 142G.40, subdivision 1, is amended to read:

62.2 Subdivision 1. **Time limit.** (a) Except as otherwise provided for in this section, an
62.3 assistance unit in which any adult caregiver has received 60 months of cash assistance
62.4 funded in whole or in part by the TANF block grant in this or any other state or United
62.5 States territory, or from a tribal TANF program, MFIP, the AFDC program formerly codified
62.6 in sections 256.72 to 256.87, or the family general assistance program formerly codified in
62.7 sections 256D.01 to ~~256D.23~~ 256D.17, funded in whole or in part by state appropriations,
62.8 is ineligible to receive MFIP. Any cash assistance funded with TANF dollars in this or any
62.9 other state or United States territory, or from a tribal TANF program, or MFIP assistance
62.10 funded in whole or in part by state appropriations, that was received by the unit on or after
62.11 the date TANF was implemented, including any assistance received in states or United
62.12 States territories of prior residence, counts toward the 60-month limitation. Months during
62.13 which any cash assistance is received by an assistance unit with a mandatory member who
62.14 is disqualified for wrongfully obtaining public assistance under section 256.98, subdivision
62.15 8, counts toward the time limit for the disqualified member. The 60-month limit applies to
62.16 a minor caregiver except under subdivision 4. The 60-month time period does not need to
62.17 be consecutive months for this provision to apply.

62.18 (b) The months before July 1998 in which individuals received assistance as part of the
62.19 field trials as an MFIP, MFIP-R, or MFIP or MFIP-R comparison group family are not
62.20 included in the 60-month time limit.

62.21 Sec. 62. Minnesota Statutes 2024, section 142G.57, subdivision 2, is amended to read:

62.22 Subd. 2. **Responsibility for assessment and employment plan.** For caregivers who
62.23 are under age 18 without a high school diploma or its equivalent, the assessment under
62.24 subdivision 1 and the employment plan under subdivision 3 must be completed by the social
62.25 services agency under section ~~257.33~~ 142A.03, subdivision 34. For caregivers who are age
62.26 18 or 19 without a high school diploma or its equivalent who choose to have an employment
62.27 plan with an education option under subdivision 3, the assessment under subdivision 1 and
62.28 the employment plan under subdivision 3 must be completed by the job counselor or, at
62.29 county option, by the social services agency under section ~~257.33~~ 142A.03, subdivision 34.
62.30 Upon reaching age 18 or 19 a caregiver who received social services under section ~~257.33~~
62.31 142A.03, subdivision 34, and is without a high school diploma or its equivalent has the
62.32 option to choose whether to continue receiving services under the caregiver's plan from the
62.33 social services agency or to utilize an MFIP employment and training service provider. The

63.1 social services agency or the job counselor shall consult with the participant's school in
63.2 developing the educational plan.

63.3 Sec. 63. Minnesota Statutes 2024, section 142G.57, subdivision 4, is amended to read:

63.4 Subd. 4. **No appropriate educational option.** If the job counselor determines that there
63.5 is no appropriate educational option for a caregiver who is age 18 or 19 without a high
63.6 school diploma or its equivalent, the job counselor must develop an employment plan, as
63.7 defined in section 142G.50, subdivision 4, for the caregiver. If the county social services
63.8 agency determines that school attendance is not appropriate for a caregiver under age 18
63.9 without a high school diploma or its equivalent, the county agency shall refer the caregiver
63.10 to social services for services as provided in section ~~257.33~~ 142A.03, subdivision 34.

63.11 Sec. 64. Minnesota Statutes 2024, section 144E.28, subdivision 8, is amended to read:

63.12 Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person
63.13 whose certification has expired under subdivision 7, paragraph (d), may have the certification
63.14 reinstated upon submission of:

63.15 (1) evidence to the director of training equivalent to the continuing education requirements
63.16 of subdivision 7 or, for community paramedics, evidence to the director of training equivalent
63.17 to the continuing education requirements of subdivision 9, paragraph (c); and

63.18 (2) a director-approved application form.

63.19 (b) If more than four years have passed since a certificate expiration date, an applicant
63.20 must complete the initial certification process required under subdivision 1.

63.21 ~~(c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph~~
63.22 ~~(b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic~~
63.23 ~~expired more than four years ago but less than ten years ago may have the certification~~
63.24 ~~reinstated upon submission of:~~

63.25 ~~(1) evidence to the director of the training required under paragraph (a), clause (1). This~~
63.26 ~~training must have been completed within the 24 months prior to the date of the application~~
63.27 ~~for reinstatement;~~

63.28 ~~(2) a director-approved application form; and~~

63.29 ~~(3) a recommendation from an ambulance service medical director.~~

63.30 ~~This paragraph expires December 31, 2025.~~

64.1 Sec. 65. Minnesota Statutes 2024, section 145.882, subdivision 5a, is amended to read:

64.2 Subd. 5a. **Nonparticipating community health boards.** If a community health board
 64.3 decides not to participate in maternal and child health block grant activities under subdivision
 64.4 3 or the commissioner determines under section ~~145A.131~~ 145A.03, subdivision 7, not to
 64.5 fund the community health board, the commissioner is responsible for directing maternal
 64.6 and child health block grant activities in that community health board's geographic area.
 64.7 The commissioner may elect to directly provide public health activities to meet the statewide
 64.8 outcomes or to contract with other governmental units or nonprofit organizations.

64.9 Sec. 66. Minnesota Statutes 2024, section 145.8821, is amended to read:

64.10 **145.8821 ACCOUNTABILITY.**

64.11 (a) Coordinating with accountability measures outlined in section 145A.131, subdivision
 64.12 ~~7~~ 3, each community health board that receives money under section 145.882, subdivision
 64.13 3, shall select by February 1, 2005, and every five years thereafter, up to two statewide
 64.14 maternal and child health outcomes.

64.15 (b) For the period January 1, 2004, to December 31, 2005, each community health board
 64.16 must work toward the Healthy People 2010 goal to reduce the state's percentage of low
 64.17 birth weight infants.

64.18 (c) The commissioner shall monitor and evaluate whether each community health board
 64.19 has made sufficient progress toward the selected outcomes established in paragraph (b).

64.20 (d) Community health boards shall provide the commissioner with annual information
 64.21 necessary to evaluate progress toward selected statewide outcomes and to meet federal
 64.22 reporting requirements.

64.23 Sec. 67. Minnesota Statutes 2025 Supplement, section 148.6404, is amended to read:

64.24 **148.6404 SCOPE OF PRACTICE.**

64.25 (a) The practice of occupational therapy means the therapeutic use of everyday life
 64.26 occupations with individuals, groups, or populations for the purpose of enhancing or enabling
 64.27 participation in those occupations. The practice of occupational therapy promotes health
 64.28 and well-being through the use of occupational therapy services that includes screening,
 64.29 evaluation, intervention, and consultation to develop, recover, and maintain a client's:

64.30 (1) sensory integrative, neuromuscular, motor, emotional, motivational, cognitive, or
 64.31 psychosocial components of performance;

65.1 (2) daily living skills;

65.2 (3) feeding and swallowing skills;

65.3 (4) play and leisure skills;

65.4 (5) educational participation skills;

65.5 (6) functional performance and work participation skills;

65.6 (7) community mobility; and

65.7 (8) health and wellness.

65.8 (b) Occupational therapy services include but are not limited to:

65.9 (1) designing, fabricating, or applying rehabilitative technology, such as selected orthotic
65.10 and prosthetic devices, and providing training in the functional use of these devices;

65.11 (2) designing, fabricating, or adapting assistive technology and providing training in the
65.12 functional use of assistive devices;

65.13 (3) adapting environments using assistive technology such as environmental controls,
65.14 wheelchair modifications, and positioning;

65.15 (4) applying physical agent, manual, and mechanical modalities in preparation for or as
65.16 an adjunct to purposeful activity to meet established functional occupational therapy goals;
65.17 and

65.18 (5) educating and training individuals, ~~including~~ families, caregivers, groups, and
65.19 populations.

65.20 (c) Occupational therapy services must be based on nationally established standards of
65.21 practice.

65.22 Sec. 68. Minnesota Statutes 2025 Supplement, section 148.6408, subdivision 2, is amended
65.23 to read:

65.24 Subd. 2. **Qualifying examination score required.** (a) An applicant must achieve a
65.25 qualifying score on the certification examination for occupational ~~therapist~~ therapists.

65.26 (b) The board shall determine the qualifying score for the certification examination for
65.27 occupational ~~therapist~~ therapists as recommended by the National Board for Certification
65.28 in Occupational Therapy, or other national certification organization approved by the board.

65.29 (c) Applicants for licensure must:

66.1 (1) make arrangements to take the certification examination for an occupational therapist
66.2 therapists;

66.3 (2) bear all expenses associated with taking the examination; and

66.4 (3) submit an application and other materials as required by the board under section
66.5 148.6420.

66.6 Sec. 69. Minnesota Statutes 2024, section 148B.59, is amended to read:

66.7 **148B.59 DISCIPLINARY ACTION; RESTORATION OF LICENSE.**

66.8 (a) The board may impose disciplinary action as described in paragraph (b) against an
66.9 applicant or licensee whom the board, by a preponderance of the evidence, determines:

66.10 (1) has violated a statute, rule, or order that the board issued or is empowered to enforce;

66.11 (2) has engaged in fraudulent, deceptive, or dishonest conduct, whether or not the conduct
66.12 relates to the practice of licensed professional counseling, that adversely affects the person's
66.13 ability or fitness to practice professional counseling;

66.14 (3) has engaged in unprofessional conduct or any other conduct which has the potential
66.15 for causing harm to the public, including any departure from or failure to conform to the
66.16 minimum standards of acceptable and prevailing practice without actual injury having to
66.17 be established;

66.18 (4) has been convicted of or has pled guilty or nolo contendere to a felony or other crime,
66.19 an element of which is dishonesty or fraud, or has been shown to have engaged in acts or
66.20 practices tending to show that the applicant or licensee is incompetent or has engaged in
66.21 conduct reflecting adversely on the applicant's or licensee's ability or fitness to engage in
66.22 the practice of professional counseling;

66.23 (5) has employed fraud or deception in obtaining or renewing a license, or in passing
66.24 an examination;

66.25 (6) has had any counseling license, certificate, registration, privilege to take an
66.26 examination, or other similar authority denied, revoked, suspended, canceled, limited, or
66.27 not renewed for cause in any jurisdiction or has surrendered or voluntarily terminated a
66.28 license or certificate during a board investigation of a complaint, as part of a disciplinary
66.29 order, or while under a disciplinary order;

66.30 (7) has failed to meet any requirement for the issuance or renewal of the person's license.
66.31 The burden of proof is on the applicant or licensee to demonstrate the qualifications or

67.1 satisfy the requirements for a license under ~~the Licensed Professional Counseling Act~~
67.2 sections 148B.50 to 148B.75;

67.3 (8) has failed to cooperate with an investigation of the board;

67.4 (9) has demonstrated an inability to practice professional counseling with reasonable
67.5 skill and safety to clients due to any mental or physical illness or condition;

67.6 (10) has engaged in fee splitting. This clause does not apply to the distribution of revenues
67.7 from a partnership, group practice, nonprofit corporation, or professional corporation to its
67.8 partners, shareholders, members, or employees if the revenues consist only of fees for
67.9 services performed by the licensee or under a licensee's administrative authority. Fee splitting
67.10 includes, but is not limited to:

67.11 (i) dividing fees with another person or a professional corporation, unless the division
67.12 is in proportion to the services provided and the responsibility assumed by each professional;

67.13 (ii) referring a client to any health care provider as defined in sections 144.291 to 144.298
67.14 in which the referring licensee has a significant financial interest, unless the licensee has
67.15 disclosed in advance to the client the licensee's own financial interest; and

67.16 (iii) paying, offering to pay, receiving, or agreeing to receive a commission, rebate, or
67.17 remuneration, directly or indirectly, primarily for the referral of clients;

67.18 (11) has engaged in conduct with a client that is sexual or may reasonably be interpreted
67.19 by the client as sexual, or in any verbal behavior that is seductive or sexually demeaning to
67.20 a client;

67.21 (12) has been subject to a corrective action or similar action in another jurisdiction or
67.22 by another regulatory authority; or

67.23 (13) has been adjudicated as mentally incompetent, mentally ill, or developmentally
67.24 disabled or as a chemically dependent person, a person dangerous to the public, a sexually
67.25 dangerous person, or a person who has a sexual psychopathic personality by a court of
67.26 competent jurisdiction within this state or an equivalent adjudication from another state.
67.27 Adjudication automatically suspends a license for the duration thereof unless the board
67.28 orders otherwise.

67.29 (b) If grounds for disciplinary action exist under paragraph (a), the board may take one
67.30 or more of the following actions:

67.31 (1) refuse to grant or renew a license;

67.32 (2) revoke a license;

68.1 (3) suspend a license;

68.2 (4) impose limitations or conditions on a licensee's practice of professional counseling,
68.3 including, but not limited to, limiting the scope of practice to designated competencies,
68.4 imposing retraining or rehabilitation requirements, requiring the licensee to practice under
68.5 supervision, or conditioning continued practice on the demonstration of knowledge or skill
68.6 by appropriate examination or other review of skill and competence;

68.7 (5) censure or reprimand the licensee;

68.8 (6) refuse to permit an applicant to take the licensure examination or refuse to release
68.9 an applicant's examination grade if the board finds that it is in the public interest; or

68.10 (7) impose a civil penalty not exceeding \$10,000 for each separate violation, the amount
68.11 of the civil penalty to be fixed so as to deprive the applicant or licensee of any economic
68.12 advantage gained by reason of the violation charged, to discourage similar violations or to
68.13 reimburse the board for the cost of the investigation and proceeding, including, but not
68.14 limited to, fees paid for services provided by the Office of Administrative Hearings, legal
68.15 and investigative services provided by the Office of the Attorney General, court reporters,
68.16 witnesses, reproduction of records, board members' per diem compensation, board staff
68.17 time, and travel costs and expenses incurred by board staff and board members.

68.18 (c) In lieu of or in addition to paragraph (b), the board may require, as a condition of
68.19 continued licensure, termination of suspension, reinstatement of license, examination, or
68.20 release of examination grades, that the applicant or licensee:

68.21 (1) submit to a quality review, as specified by the board, of the applicant's or licensee's
68.22 ability, skills, or quality of work; and

68.23 (2) complete to the satisfaction of the board educational courses specified by the board.

68.24 The board may also refer a licensee, if appropriate, to the health professionals services
68.25 program described in sections 214.31 to 214.37.

68.26 (d) Service of the order is effective if the order is served on the applicant, licensee, or
68.27 counsel of record personally or by mail to the most recent address provided to the board for
68.28 the licensee, applicant, or counsel of record. The order shall state the reasons for the entry
68.29 of the order.

68.30 Sec. 70. Minnesota Statutes 2024, section 148F.165, subdivision 2, is amended to read:

68.31 Subd. 2. **Client bill of rights.** The client bill of rights required by section 144.652 shall
68.32 be prominently displayed on the premises of the professional practice or provided as a

69.1 handout to each client. The document must state that consumers of alcohol and drug
69.2 counseling services have the right to:

69.3 (1) expect that the provider meets the minimum qualifications of training and experience
69.4 required by state law;

69.5 (2) examine public records maintained by the Board of Behavioral Health and Therapy
69.6 that contain the credentials of the provider;

69.7 (3) report complaints to the Board of Behavioral Health and Therapy;

69.8 (4) be informed of the cost of professional services before receiving the services;

69.9 (5) privacy as defined and limited by law and rule;

69.10 (6) be free from being the object of unlawful discrimination while receiving counseling
69.11 services;

69.12 (7) have access to their records as provided in sections ~~144.92~~ 144.292 and 148F.135,
69.13 subdivision 1, except as otherwise provided by law;

69.14 (8) be free from exploitation for the benefit or advantage of the provider;

69.15 (9) terminate services at any time, except as otherwise provided by law or court order;

69.16 (10) know the intended recipients of assessment results;

69.17 (11) withdraw consent to release assessment results, unless the right is prohibited by
69.18 law or court order or was waived by prior written agreement;

69.19 (12) a nontechnical description of assessment procedures; and

69.20 (13) a nontechnical explanation and interpretation of assessment results, unless this right
69.21 is prohibited by law or court order or was waived by prior written agreement.

69.22 Sec. 71. Minnesota Statutes 2024, section 148F.205, subdivision 5, is amended to read:

69.23 Subd. 5. **Insurers.** Each insurer authorized to sell insurance described in section 60A.06,
69.24 subdivision 1, clause (13), and providing professional liability insurance to alcohol and drug
69.25 counselors or the ~~Medical~~ Joint Underwriting Association under chapter ~~62F~~ 62I, shall
69.26 submit to the board quarterly reports concerning the alcohol and drug counselors against
69.27 whom malpractice settlements and awards have been made. The report must contain at least
69.28 the following information:

69.29 (1) the total number of malpractice settlements or awards made;

69.30 (2) the date the malpractice settlements or awards were made;

70.1 (3) the allegations contained in the claim or complaint leading to the settlements or
70.2 awards made;

70.3 (4) the dollar amount of each settlement or award;

70.4 (5) the address of the practice of the alcohol and drug counselor against whom an award
70.5 was made or with whom a settlement was made; and

70.6 (6) the name of the alcohol and drug counselor against whom an award was made or
70.7 with whom a settlement was made.

70.8 The insurance company shall, in addition to the information in clauses (1) to (6), submit to
70.9 the board any information, records, and files, including clients' charts and records, it possesses
70.10 that tend to substantiate a charge that a licensed alcohol and drug counselor may have
70.11 engaged in conduct violating this chapter.

70.12 Sec. 72. Minnesota Statutes 2024, section 148F.2051, is amended to read:

70.13 **148F.2051 FAILURE TO REPORT.**

70.14 ~~On or after August 1, 2012,~~ Any person, institution, insurer, or organization that fails
70.15 to report as required under ~~Minnesota Statutes 2010, section 148C.095, subdivisions 2 to~~
70.16 ~~5,~~ section 148F.205 shall be subject to civil penalties for failing to report as required by
70.17 law.

70.18 Sec. 73. Minnesota Statutes 2024, section 151.72, subdivision 2, is amended to read:

70.19 Subd. 2. **Scope.** (a) This section applies to the sale of any product that contains
70.20 cannabinoids extracted from hemp and that is an edible cannabinoid product or is intended
70.21 for human or animal consumption by any route of administration.

70.22 (b) This section does not apply to any product dispensed by a registered medical cannabis
70.23 manufacturer pursuant to sections ~~152.22 to 152.37~~ and 152.29.

70.24 (c) The office must have no authority over food products, as defined in section 34A.01,
70.25 subdivision 4, that do not contain cannabinoids extracted or derived from hemp.

70.26 Sec. 74. Minnesota Statutes 2024, section 152.29, subdivision 5, is amended to read:

70.27 Subd. 5. **Distribution to Tribal medical cannabis program patient.** (a) A manufacturer
70.28 may distribute medical cannabis in accordance with subdivisions 1 to 4 to a Tribal medical
70.29 cannabis program patient.

71.1 (b) Prior to distribution, the Tribal medical cannabis program patient must provide to
71.2 the manufacturer:

71.3 (1) a valid medical cannabis registration verification card or equivalent document issued
71.4 by a Tribal medical cannabis program that indicates that the Tribal medical cannabis program
71.5 patient is authorized to use medical cannabis on Indian lands over which the Tribe has
71.6 jurisdiction; and

71.7 (2) a valid photographic identification card issued by the Tribal medical cannabis
71.8 program, a valid driver's license, or a valid state identification card.

71.9 (c) A manufacturer shall distribute medical cannabis to a Tribal medical cannabis program
71.10 patient only in a form allowed under section ~~152.22, subdivision 6~~ 342.01, subdivision 52.

71.11 Sec. 75. Minnesota Statutes 2024, section 157.22, is amended to read:

71.12 **157.22 EXEMPTIONS.**

71.13 This chapter does not apply to:

71.14 (1) interstate carriers under the supervision of the United States Department of Health
71.15 and Human Services;

71.16 (2) weddings, fellowship meals, or funerals conducted by a faith-based organization
71.17 using any building constructed and primarily used for religious worship or education;

71.18 (3) any building owned, operated, and used by a college or university in accordance
71.19 with health regulations promulgated by the college or university under chapter 14;

71.20 (4) any person, firm, or corporation whose principal mode of business is licensed under
71.21 sections 28A.04 and 28A.05, is exempt at that premises from licensure as a food or beverage
71.22 establishment; provided that the holding of any license pursuant to sections 28A.04 and
71.23 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of
71.24 this chapter or the rules of the state commissioner of health relating to food and beverage
71.25 service establishments;

71.26 (5) family day care homes and group family day care homes governed by sections
71.27 142B.01 to 142B.79;

71.28 (6) nonprofit senior citizen centers for the sale of home-baked goods;

71.29 (7) fraternal, sportsman, or patriotic organizations that are tax exempt under section
71.30 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(10), or 501(c)(19) of the Internal Revenue
71.31 Code of 1986, or organizations related to, affiliated with, or supported by such fraternal,

72.1 sportsman, or patriotic organizations for events held in the building or on the grounds of
 72.2 the organization and at which home-prepared food is donated by organization members for
 72.3 sale at the events, provided:

72.4 (i) the event is not a circus, carnival, or fair;

72.5 (ii) the organization controls the admission of persons to the event, the event agenda, or
 72.6 both; and

72.7 (iii) the organization's licensed kitchen is not used in any manner for the event;

72.8 (8) food not prepared at an establishment and brought in by individuals attending a
 72.9 potluck event for consumption at the potluck event. An organization sponsoring a potluck
 72.10 event under this clause may advertise the potluck event to the public through any means.
 72.11 Individuals who are not members of an organization sponsoring a potluck event under this
 72.12 clause may attend the potluck event and consume the food at the event. Licensed food
 72.13 establishments other than schools cannot be sponsors of potluck events. A school may
 72.14 sponsor and hold potluck events in areas of the school other than the school's kitchen,
 72.15 provided that the school's kitchen is not used in any manner for the potluck event. For
 72.16 purposes of this clause, "school" means a public school as defined in section 120A.05,
 72.17 subdivisions 9, 11, 13, and 17, or a nonpublic school, church, or religious organization at
 72.18 which a child is provided with instruction in compliance with sections 120A.22 and 120A.24.
 72.19 Potluck event food shall not be brought into a licensed food establishment kitchen;

72.20 (9) a home school in which a child is provided instruction at home;

72.21 (10) school concession stands serving commercially prepared, nonpotentially hazardous
 72.22 foods, as defined in Minnesota Rules, chapter 4626;

72.23 (11) group residential facilities of ten or fewer beds licensed by the commissioner of
 72.24 human services under Minnesota Rules, chapter 2960, provided the facility employs or
 72.25 contracts with a certified food protection manager under Minnesota Rules, part ~~4626.2015~~
 72.26 4626.0033;

72.27 (12) food served at fundraisers, community events or fellowship meals conducted in the
 72.28 building or on the grounds of a faith-based organization, provided that a certified food
 72.29 manager or volunteer trained in a food safety course, trains the food preparation workers
 72.30 in safe food handling practices. Food prepared during these events is allowed to be made
 72.31 available for curbside pickup or delivered to members of the faith-based organization or
 72.32 the community in which the faith-based organization serves. This exemption does not apply

73.1 to faith-based organizations at the state agricultural society or county fairs or to faith-based
73.2 organizations that choose to apply for a license;

73.3 (13) food service events conducted following a disaster for purposes of feeding disaster
73.4 relief staff and volunteers serving commercially prepared, nonpotentially hazardous foods,
73.5 as defined in Minnesota Rules, chapter 4626;

73.6 (14) chili or soup served at a chili or soup cook-off fundraiser conducted by a
73.7 community-based nonprofit organization, provided:

73.8 (i) the municipality where the event is located approves the event;

73.9 (ii) the sponsoring organization must develop food safety rules and ensure that participants
73.10 follow these rules; and

73.11 (iii) if the food is not prepared in a kitchen that is licensed or inspected, a visible sign
73.12 or placard must be posted that states: "These products are homemade and not subject to
73.13 state inspection."

73.14 Foods exempt under this clause must be labeled to accurately reflect the name and
73.15 address of the person preparing the foods; and

73.16 (15) a special event food stand or a seasonal temporary food stand provided:

73.17 (i) the stand is located on private property with the permission of the property owner;

73.18 (ii) the stand has gross receipts or contributions of \$1,000 or less in a calendar year; and

73.19 (iii) the operator of the stand posts a sign or placard at the site that states "The products
73.20 sold at this stand are not subject to state inspection or regulation." if the stand offers for sale
73.21 potentially hazardous food as defined in Minnesota Rules, part 4626.0020, subpart 62.

73.22 Sec. 76. Minnesota Statutes 2025 Supplement, section 161.14, subdivision 109, is amended
73.23 to read:

73.24 Subd. 109. **Elmstrand * Finseth * Ruge Heroes Memorial Bridge.** The bridge on
73.25 Burnsville Parkway over marked Interstate Highway 35W in the city of Burnsville is
73.26 designated as "Elmstrand * Finseth * Ruge Heroes Memorial Bridge." Subject to section
73.27 161.139, the commissioner must adopt a suitable design to mark this highway bridge and
73.28 erect appropriate signs.

74.1 Sec. 77. Minnesota Statutes 2025 Supplement, section 161.45, subdivision 4, is amended
74.2 to read:

74.3 Subd. 4. **High voltage transmission; placement in right-of-way.** (a) For purposes of
74.4 this subdivision and subdivisions 5 to 7, "high voltage transmission line" has the meaning
74.5 given in section 216I.02, subdivision 8.

74.6 (b) Notwithstanding subdivision 1, paragraph (a), high voltage transmission lines under
74.7 the laws of this state or the ordinance of any city or county may be constructed, placed, or
74.8 maintained across or along any trunk highway, including an interstate highway and a trunk
74.9 highway that is an expressway or a freeway, except as deemed necessary by the commissioner
74.10 of transportation to protect public safety or ensure the proper function of the trunk highway
74.11 system.

74.12 (c) If the commissioner denies a high voltage ~~electric~~ transmission line colocation request,
74.13 the reasons for the denial must be submitted for review within 90 days of the commissioner's
74.14 denial to the chairs and ranking minority members of the legislative committees with
74.15 jurisdiction over energy and transportation, the Public Utilities Commission executive
74.16 secretary, and the commissioner of commerce.

74.17 Sec. 78. Minnesota Statutes 2025 Supplement, section 168.012, subdivision 1, is amended
74.18 to read:

74.19 Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following
74.20 vehicles are exempt from the provisions of this chapter requiring payment of tax and
74.21 registration fees, except as provided in subdivision 1c:

74.22 (1) vehicles owned and used solely in the transaction of official business by the federal
74.23 government, the state, or any political subdivision;

74.24 (2) vehicles owned and used exclusively by educational institutions and used solely in
74.25 the transportation of pupils to and from those institutions;

74.26 (3) vehicles used solely in driver education programs at nonpublic high schools;

74.27 (4) vehicles owned by nonprofit charities and used exclusively to transport disabled
74.28 persons for charitable, religious, or educational purposes;

74.29 (5) vehicles owned by nonprofit charities and used exclusively for disaster response and
74.30 related activities;

75.1 (6) vehicles owned by ambulance services licensed under section 144E.10 that are
75.2 equipped and specifically intended for emergency response or providing ambulance services;
75.3 and

75.4 (7) vehicles owned by a commercial driving school licensed under section 171.34, or
75.5 an employee of a commercial driving school licensed under section 171.34, and the vehicle
75.6 is used exclusively for driver education and training.

75.7 (b) Provided the general appearance of the vehicle is unmistakable, the following vehicles
75.8 are not required to register or display number plates:

75.9 (1) vehicles owned by the federal government;

75.10 (2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the
75.11 state or a political subdivision;

75.12 (3) police patrols owned or leased by the state or a political subdivision; and

75.13 (4) ambulances owned or leased by the state or a political subdivision.

75.14 (c) Unmarked vehicles used in general police work, liquor investigations, or arson
75.15 investigations, and passenger automobiles, pickup trucks, and buses owned or operated by
75.16 the Department of Corrections or by conservation officers of the Division of Enforcement
75.17 and Field Service of the Department of Natural Resources, must be registered and must
75.18 display appropriate license number plates, furnished by the registrar at cost. Original and
75.19 renewal applications for these license plates authorized for use in general police work and
75.20 for use by the Department of Corrections or by conservation officers must be accompanied
75.21 by a certification signed by the appropriate chief of police if issued to a police vehicle, the
75.22 appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued
75.23 to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a
75.24 vehicle of any other law enforcement agency. The certification must be on a form prescribed
75.25 by the commissioner and state that the vehicle will be used exclusively for a purpose
75.26 authorized by this section.

75.27 (d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry,
75.28 fraud unit, in conducting seizures or criminal investigations must be registered and must
75.29 display passenger vehicle classification license number plates, furnished at cost by the
75.30 registrar. Original and renewal applications for these passenger vehicle license plates must
75.31 be accompanied by a certification signed by the commissioner of revenue or the
75.32 commissioner of labor and industry. The certification must be on a form prescribed by the

76.1 commissioner and state that the vehicles will be used exclusively for the purposes authorized
76.2 by this section.

76.3 (e) Unmarked vehicles used by the ~~Division of Disease Prevention and Control of the~~
76.4 Department of Health Infectious Disease Epidemiology, Prevention and Control Division
76.5 must be registered and must display passenger vehicle classification license number plates.
76.6 These plates must be furnished at cost by the registrar. Original and renewal applications
76.7 for these passenger vehicle license plates must be accompanied by a certification signed by
76.8 the commissioner of health. The certification must be on a form prescribed by the
76.9 commissioner and state that the vehicles will be used exclusively for the official duties of
76.10 the Division of Disease Prevention and Control.

76.11 (f) Unmarked vehicles used by staff of the Gambling Control Board in gambling
76.12 investigations and reviews must be registered and must display passenger vehicle
76.13 classification license number plates. These plates must be furnished at cost by the registrar.
76.14 Original and renewal applications for these passenger vehicle license plates must be
76.15 accompanied by a certification signed by the board chair. The certification must be on a
76.16 form prescribed by the commissioner and state that the vehicles will be used exclusively
76.17 for the official duties of the Gambling Control Board.

76.18 (g) Unmarked vehicles used in general investigation, surveillance, supervision, and
76.19 monitoring by the Office of Inspector General's staff, including, but not limited to, county
76.20 fraud prevention investigators, must be registered and must display passenger vehicle
76.21 classification license number plates, furnished by the registrar at cost. Original and renewal
76.22 applications for passenger vehicle license plates must be accompanied by a certification
76.23 signed by the commissioner of human services. The certification must be on a form prescribed
76.24 by the commissioner and state that the vehicles must be used exclusively for the official
76.25 duties of the Office of Special Investigations' staff and the Office of the Inspector General's
76.26 staff, including, but not limited to, contract and county fraud prevention investigators.

76.27 (h) Unmarked vehicles used in general investigation, surveillance, supervision, and
76.28 monitoring by the Direct Care and Treatment Office of Special Investigations' staff and
76.29 unmarked vehicles used by the Minnesota Sex Offender Program's executive director and
76.30 the executive director's staff must be registered and must display passenger vehicle
76.31 classification license number plates, furnished by the registrar at cost. Original and renewal
76.32 applications for passenger vehicle license plates must be accompanied by a certification
76.33 signed by the Direct Care and Treatment executive board. The certification must be on a
76.34 form prescribed by the commissioner and state that the vehicles must be used exclusively
76.35 for the official duties of the Minnesota Sex Offender Program's executive director and the

77.1 executive director's staff, including but not limited to contract and county fraud prevention
77.2 investigators.

77.3 (i) Each state hospital and institution for persons who are mentally ill and developmentally
77.4 disabled may have one vehicle without the required identification on the sides of the vehicle.
77.5 The vehicle must be registered and must display passenger vehicle classification license
77.6 number plates. These plates must be furnished at cost by the registrar. Original and renewal
77.7 applications for these passenger vehicle license plates must be accompanied by a certification
77.8 signed by the hospital administrator. The certification must be on a form prescribed by the
77.9 Direct Care and Treatment executive board and state that the vehicles will be used exclusively
77.10 for the official duties of the state hospital or institution.

77.11 (j) Each county social service agency may have vehicles used for child and vulnerable
77.12 adult protective services without the required identification on the sides of the vehicle. The
77.13 vehicles must be registered and must display passenger vehicle classification license number
77.14 plates. These plates must be furnished at cost by the registrar. Original and renewal
77.15 applications for these passenger vehicle license plates must be accompanied by a certification
77.16 signed by the agency administrator. The certification must be on a form prescribed by the
77.17 commissioner and state that the vehicles will be used exclusively for the official duties of
77.18 the social service agency.

77.19 (k) Unmarked vehicles used in general investigation, surveillance, supervision, and
77.20 monitoring by tobacco inspector staff of the Department of Human Services' Alcohol and
77.21 Drug Abuse Division for the purposes of tobacco inspections, investigations, and reviews
77.22 must be registered and must display passenger vehicle classification license number plates,
77.23 furnished at cost by the registrar. Original and renewal applications for passenger vehicle
77.24 license plates must be accompanied by a certification signed by the commissioner of human
77.25 services. The certification must be on a form prescribed by the commissioner and state that
77.26 the vehicles will be used exclusively by tobacco inspector staff for the duties specified in
77.27 this paragraph.

77.28 (l) All other motor vehicles must be registered and display tax-exempt number plates,
77.29 furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required
77.30 to display tax-exempt number plates must have the name of the state department or political
77.31 subdivision, nonpublic high school operating a driver education program, licensed
77.32 commercial driving school, or other qualifying organization or entity, plainly displayed on
77.33 both sides of the vehicle. This identification must be in a color giving contrast with that of
77.34 the part of the vehicle on which it is placed and must endure throughout the term of the
77.35 registration. The identification must not be on a removable plate or placard and must be

78.1 kept clean and visible at all times; except that a removable plate or placard may be utilized
78.2 on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver
78.3 education program.

78.4 Sec. 79. Minnesota Statutes 2025 Supplement, section 168A.01, subdivision 18, is amended
78.5 to read:

78.6 Subd. 18. **Secured party.** "Secured party" means a secured party as defined in section
78.7 ~~336.9-102, paragraph (a), clause (73)~~, 336.9-102(a)(73) having a security interest in a
78.8 vehicle.

78.9 Sec. 80. Minnesota Statutes 2025 Supplement, section 168A.01, subdivision 19, is amended
78.10 to read:

78.11 Subd. 19. **Security agreement.** "Security agreement" means a security agreement as
78.12 defined in section ~~336.9-102, paragraph (a), clause (74)~~ 336.9-102(a)(74).

78.13 Sec. 81. Minnesota Statutes 2025 Supplement, section 168A.01, subdivision 20, is amended
78.14 to read:

78.15 Subd. 20. **Security interest.** "Security interest" means a security interest as defined in
78.16 section ~~336.1-201, paragraph (b), clause (35)~~ 336.1-201(b)(35). A security interest is
78.17 "perfected" when it is valid against third parties generally, subject only to specific statutory
78.18 exception.

78.19 Sec. 82. Minnesota Statutes 2024, section 169.223, subdivision 4, is amended to read:

78.20 Subd. 4. **Headlight requirement.** The provisions of section 169.974, subdivision 5,
78.21 paragraph ~~(k)~~ (l), apply to motorized bicycles that are equipped with headlights. A new
78.22 motorized bicycle sold or offered for sale in Minnesota must be equipped with a headlight.

78.23 Sec. 83. Minnesota Statutes 2024, section 169.99, subdivision 1, is amended to read:

78.24 Subdivision 1. **Form.** (a) Except as provided in subdivision 3; section 169.147,
78.25 subdivision 8 10; and section 169.999, subdivision 3, there shall be a uniform ticket issued
78.26 throughout the state by the police and peace officers or by any other person for violations
78.27 of this chapter and ordinances in conformity thereto. Such uniform traffic ticket shall be in
78.28 the form and have the effect of a summons and complaint. Except as provided in paragraph
78.29 (b), the uniform ticket shall state that if the defendant fails to appear in court in response to
78.30 the ticket, an arrest warrant may be issued. The uniform traffic ticket shall consist of four

79.1 parts, on paper sensitized so that copies may be made without the use of carbon paper, as
79.2 follows:

79.3 (1) the complaint, with reverse side for officer's notes for testifying in court, driver's
79.4 past record, and court's action, printed on white paper;

79.5 (2) the abstract of court record for the Department of Public Safety, which shall be a
79.6 copy of the complaint with the certificate of conviction on the reverse side, printed on yellow
79.7 paper;

79.8 (3) the police record, which shall be a copy of the complaint and of the reverse side of
79.9 copy (1), printed on pink paper; and

79.10 (4) the summons, with, on the reverse side, such information as the court may wish to
79.11 give concerning the Traffic Violations Bureau, and a plea of guilty and waiver, printed on
79.12 off-white tag stock.

79.13 (b) If the offense is a petty misdemeanor, the uniform ticket must state that a failure to
79.14 appear will be considered a plea of guilty and waiver of the right to trial, unless the failure
79.15 to appear is due to circumstances beyond the person's control.

79.16 Sec. 84. Minnesota Statutes 2025 Supplement, section 171.301, subdivision 1, is amended
79.17 to read:

79.18 Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a reintegration
79.19 driver's license to any person:

79.20 (1) who is 18 years of age or older;

79.21 (2) who has been released from a period of at least 180 consecutive days of confinement
79.22 or incarceration in:

79.23 (i) an adult correctional facility under the control of the commissioner of corrections or
79.24 licensed by the commissioner of corrections under section 241.021;

79.25 (ii) a federal correctional facility for adults; or

79.26 (iii) an adult correctional facility operated under the control or supervision of any other
79.27 state; and

79.28 (3) whose license has been suspended or revoked under the circumstances listed in
79.29 section 171.30, subdivision 1, paragraph (a), clauses (1) to (4), for a violation that occurred
79.30 before the individual was incarcerated for the period described in clause (2).

80.1 (b) If the person's driver's license or permit to drive has been revoked under section
80.2 169.792 or 169.797, the commissioner may only issue a reintegration driver's license to the
80.3 person after the person has presented an insurance identification card, policy, or written
80.4 statement indicating that the driver or owner has insurance coverage satisfactory to the
80.5 commissioner.

80.6 (c) If the person's driver's license or permit to drive has been suspended under section
80.7 171.186, the commissioner may only issue a reintegration driver's license to the person after
80.8 the commissioner receives notice of a court order provided pursuant to section 518A.65,
80.9 paragraph (h), showing that the person's driver's license or operating privileges should no
80.10 longer be suspended.

80.11 (d) If the person's driver's license has been revoked under section 171.17, subdivision
80.12 1, paragraph (a), clause (1) or (2), the commissioner may only issue a reintegration driver's
80.13 license to the person after the person has completed the applicable revocation period.

80.14 (e) The commissioner must not issue a reintegration driver's license:

80.15 (1) to any person described in section 171.04, subdivision 1, clause (7), (8), (10), or
80.16 (11);

80.17 (2) to any person described in section ~~169A.55, subdivision 5~~ 171.178, subdivision 6;

80.18 (3) if the person has committed a violation after the person was released from custody
80.19 that results in the suspension, revocation, or cancellation of a driver's license, including
80.20 suspension for nonpayment of child support or maintenance payments as described in section
80.21 171.186, subdivision 1; or

80.22 (4) if the issuance would conflict with the requirements of the nonresident violator
80.23 compact.

80.24 (f) The commissioner must not issue a class A, class B, or class C reintegration driver's
80.25 license.

80.26 Sec. 85. Minnesota Statutes 2024, section 181.211, subdivision 10, is amended to read:

80.27 Subd. 10. **Worker organization.** "Worker organization" means an organization that is
80.28 exempt from federal income taxation under section 501(c)(3), 501(c)(4), or 501(c)(5) of
80.29 the Internal Revenue Code, that is not dominated or interfered with by any nursing home
80.30 employer within the meaning of United States Code, title 29, section ~~458a(2)~~ 158(a)(2),
80.31 and that has at least five years of demonstrated experience engaging with and advocating
80.32 for nursing home workers.

81.1 Sec. 86. Minnesota Statutes 2024, section 204B.06, subdivision 9, is amended to read:

81.2 Subd. 9. **Multiple affidavits of candidacy.** Notwithstanding subdivision 1, paragraph
81.3 (a), clause (2):

81.4 (1) a candidate for soil and water conservation district supervisor in a district not located
81.5 in whole or in part in Anoka, Hennepin, Ramsey, or Washington County may also have on
81.6 file an affidavit of candidacy for:

81.7 (i) mayor or council member of a statutory or home rule charter city of not more than
81.8 2,500 population contained in whole or in part in the soil and water conservation district;
81.9 or

81.10 (ii) town supervisor in a town of not more than 2,500 population contained in whole or
81.11 in part in the soil and water conservation district; and

81.12 (2) a candidate for school board member may also have on file an affidavit of candidacy
81.13 for town board supervisor, unless that town board is exercising the powers of a statutory
81.14 city under section 368.01 or an applicable special law.

81.15 Sec. 87. Minnesota Statutes 2024, section 211B.04, subdivision 3, is amended to read:

81.16 Subd. 3. **Material that does not need a disclaimer.** (a) This section does not apply to
81.17 fundraising tickets, business cards, personal letters, or similar items that are clearly being
81.18 distributed by the candidate.

81.19 (b) This section does not apply to an individual or association that is not required to
81.20 register or report under chapter 10A or 211A.

81.21 (c) This section does not apply to the following:

81.22 (1) bumper stickers, pins, buttons, pens, or similar small items on which the disclaimer
81.23 cannot be conveniently printed;

81.24 (2) skywriting, wearing apparel, or other means of displaying an advertisement of such
81.25 a nature that the inclusion of a disclaimer would be impracticable; and

81.26 (3) online banner ads and similar electronic communications that link directly to an
81.27 online page that includes the disclaimer.

81.28 ~~(d) This section does not modify or repeal section 211B.06.~~

82.1 Sec. 88. Minnesota Statutes 2024, section 214.06, subdivision 1a, is amended to read:

82.2 Subd. 1a. **Health occupations licensing account.** (a) Fees received by the commissioner
82.3 of health or health-related licensing boards must be credited to the health occupations
82.4 licensing account in the state government special revenue fund. The commissioner of
82.5 management and budget shall ensure that the revenues and expenditures of each health-related
82.6 licensing board are tracked separately in the health occupations licensing account.

82.7 (b) The fees collected must be used only by the boards identified in section 214.01,
82.8 subdivision 2, and only for the purposes of the programs they administer. The legislature
82.9 must not transfer money generated by these fees from the state government special revenue
82.10 fund to the general fund. ~~Surcharges collected by a health-related licensing board under~~
82.11 ~~section 16E.22 are not subject to this subdivision.~~

82.12 Sec. 89. Minnesota Statutes 2024, section 216B.16, subdivision 6b, is amended to read:

82.13 Subd. 6b. **Energy conservation improvement.** (a) Except as otherwise provided in this
82.14 subdivision, all investments and expenses of a public utility, as defined in section ~~216B.241,~~
82.15 ~~subdivision 1, paragraph (h)~~ 216B.2402, subdivision 11, incurred in connection with energy
82.16 conservation improvements shall be recognized and included by the commission in the
82.17 determination of just and reasonable rates as if the investments and expenses were directly
82.18 made or incurred by the utility in furnishing utility service.

82.19 (b) The commission shall not include investments and expenses for energy conservation
82.20 improvements in determining (i) just and reasonable electric rates for retail electric service
82.21 provided to large customer facilities whose electric utilities have been exempted by the
82.22 commissioner under section 216B.241, subdivision 1a, paragraph (b), with respect to those
82.23 large customer facilities; or (ii) just and reasonable gas rates for large energy facilities, large
82.24 customer facilities whose natural gas utilities have been exempted by the commissioner
82.25 under section 216B.241, subdivision 1a, paragraph (b), or commercial gas customer facilities
82.26 whose natural gas utilities have been exempted by the commissioner under section 216B.241,
82.27 subdivision 1a, paragraph (c).

82.28 (c) The commission may permit a public utility to file rate schedules providing for annual
82.29 recovery of the costs of energy conservation improvements. These rate schedules may be
82.30 applicable to less than all the customers in a class of retail customers if necessary to reflect
82.31 the requirements of section 216B.241. The commission shall allow a public utility, without
82.32 requiring a general rate filing under this section, to reduce the electric rates applicable to
82.33 large customer facilities that have been exempted by the commissioner under section
82.34 216B.241, subdivision 1a, paragraph (b), and to reduce the gas rate applicable to a large

83.1 energy facility, a large customer facility or commercial customer facility that has been
 83.2 exempted by the commissioner under section 216B.241, subdivision 1a, paragraph (b) or
 83.3 (c), or by the commission under section 216B.241, subdivision 2, by an amount that reflects
 83.4 the elimination of energy conservation improvement investments or expenditures for those
 83.5 facilities. In the event that the commission has set electric or gas rates based on the use of
 83.6 an accounting methodology that results in the cost of conservation improvements being
 83.7 recovered from utility customers over a period of years, the rate reduction may occur in a
 83.8 series of steps to coincide with the recovery of balances due to the utility for conservation
 83.9 improvements made by the utility on or before December 31, 2007.

83.10 (d) Investments and expenses of a public utility shall not include electric utility
 83.11 infrastructure costs as defined in section 216B.1636, subdivision 1, paragraph (b).

83.12 Sec. 90. Minnesota Statutes 2024, section 216B.16, subdivision 6c, is amended to read:

83.13 Subd. 6c. **Incentive plan for energy conservation and efficient fuel-switching**
 83.14 **improvement.** (a) The commission may order public utilities to develop and submit for
 83.15 commission approval incentive plans that describe the method of recovery and accounting
 83.16 for utility conservation and efficient fuel-switching expenditures and savings. For public
 83.17 utilities that provide electric service, the commission must develop and implement incentive
 83.18 plans designed to promote energy conservation separately from the plans designed to promote
 83.19 efficient fuel-switching. In developing the incentive plans the commission shall ensure the
 83.20 effective involvement of interested parties.

83.21 (b) In approving incentive plans, the commission shall consider:

83.22 (1) whether the plan is likely to increase utility investment in cost-effective energy
 83.23 conservation or efficient fuel switching;

83.24 (2) whether the plan is compatible with the interest of utility ratepayers and other
 83.25 interested parties;

83.26 (3) whether the plan links the incentive to the utility's performance in achieving
 83.27 cost-effective conservation or efficient fuel switching;

83.28 ~~(4) whether the plan is in conflict with other provisions of this chapter;~~

83.29 ~~(5)~~ (4) whether the plan conflicts with other provisions of this chapter; and

83.30 ~~(6)~~ (5) the likely financial impacts of the conservation and efficient fuel-switching
 83.31 programs on the utility.

84.1 (c) The commission may set rates to encourage the vigorous and effective implementation
84.2 of utility conservation and efficient fuel-switching programs. The commission may:

84.3 (1) increase or decrease any otherwise allowed rate of return on net investment based
84.4 upon the utility's skill, efforts, and success in improving the efficient use of energy through
84.5 energy conservation or efficient fuel switching;

84.6 (2) share between ratepayers and utilities the net savings resulting from energy
84.7 conservation and efficient fuel-switching programs to the extent justified by the utility's
84.8 skill, efforts, and success in improving the efficient use of energy; and

84.9 (3) adopt any mechanism that satisfies the criteria of this subdivision, such that
84.10 implementation of cost-effective conservation or efficient fuel switching is a preferred
84.11 resource choice for the public utility considering the impact of conservation or efficient fuel
84.12 switching on earnings of the public utility.

84.13 (d) Any incentives offered to electric utilities under this subdivision for efficient-fuel
84.14 switching projects expire December 31, 2032.

84.15 Sec. 91. Minnesota Statutes 2025 Supplement, section 216B.1622, subdivision 2, is
84.16 amended to read:

84.17 Subd. 2. **Tariff or energy supply agreement.** The commission may approve, modify,
84.18 or reject a tariff or electric service agreement proposed between a public utility and a very
84.19 large customer establishing the terms and conditions under which the utility will provide
84.20 electric service to the customer. As it evaluates a tariff or agreement under this section, the
84.21 commission must consider how best to achieve the following required outcomes:

84.22 (1) all costs attributable to the utility's very large customers not exempt under subdivision
84.23 3 are assigned to the very large customer class or subclass determined by the commission
84.24 under ~~paragraph (a)~~ subdivision 1;

84.25 (2) the electricity to be provided by the utility to a very large customer achieves each
84.26 quantitative benchmark of the state's electricity standards under section 216B.1691, as
84.27 demonstrated by a plan submitted by the utility to serve the additional load without recourse
84.28 to requesting a delay or modification of these standards;

84.29 (3) the tariff or agreement contains protections necessary to ensure that other customers
84.30 of the public utility are not placed at risk for paying stranded costs associated with the utility
84.31 serving the very large customer; and

85.1 (4) any other outcome deemed important by the commission to ensure the tariff or
85.2 agreement is in the public interest.

85.3 Sec. 92. Minnesota Statutes 2024, section 216B.2411, subdivision 1, is amended to read:

85.4 Subdivision 1. **Generation projects.** (a) Any municipality or rural electric association
85.5 providing electric service and subject to section 216B.241 may, and each public utility may,
85.6 use five percent of the total amount to be spent on energy conservation improvements under
85.7 section 216B.241, on:

85.8 (1) projects in Minnesota to construct an electric generating facility that utilizes eligible
85.9 renewable energy sources as defined in subdivision 2, such as methane or other combustible
85.10 gases derived from the processing of plant or animal wastes, biomass fuels such as
85.11 short-rotation woody or fibrous agricultural crops, or other renewable fuel, as its primary
85.12 fuel source;

85.13 (2) projects in Minnesota to install a distributed generation facility of ten megawatts or
85.14 less of interconnected capacity that is fueled by natural gas, renewable fuels, or another
85.15 similarly clean fuel; or

85.16 (3) projects in Minnesota to install a qualifying solar energy project as defined in
85.17 subdivision 2.

85.18 (b) A municipality, rural electric association, or public utility that offers a program to
85.19 customers to promote installing qualifying solar energy projects may request authority from
85.20 the commissioner to exceed the five percent limit in paragraph (a), but not to exceed ten
85.21 percent, to meet customer demand for installation of qualifying solar energy projects. In
85.22 considering this request, the commissioner shall consider customer interest in qualifying
85.23 solar energy and the impact on other customers. A municipality, rural electric association,
85.24 or public utility may not participate in a qualifying solar energy project on a property unless
85.25 it is provided evidence that all reasonable cost-effective conservation investments have
85.26 previously been made to the property.

85.27 (c) For a municipality, rural electric association, or public utility, projects under this
85.28 section must be considered energy conservation improvements, as defined in section
85.29 ~~216B.241~~ 216B.2402, subdivision 6.

85.30 Sec. 93. Minnesota Statutes 2024, section 216B.2411, subdivision 2, is amended to read:

85.31 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
85.32 subdivision and section ~~216B.241~~, ~~subdivision 1~~ 216B.2402, have the meanings given them.

86.1 (b) "Eligible renewable energy sources" means fuels and technologies to generate
86.2 electricity through the use of any of the resources listed in section 216B.1691, subdivision
86.3 1, paragraph (c), except that the incineration of wastewater sludge is not an eligible renewable
86.4 energy source, "biomass" has the meaning provided under paragraph (c), and "solar" must
86.5 be from a qualified solar energy project as defined in paragraph (d).

86.6 (c) "Biomass" includes:

86.7 (1) methane or other combustible gases derived from the processing of plant or animal
86.8 material;

86.9 (2) alternative fuels derived from soybean and other agricultural plant oils or animal
86.10 fats;

86.11 (3) combustion of barley hulls, corn, soy-based products, or other agricultural products;

86.12 (4) wood residue from the wood products industry in Minnesota or other wood products
86.13 such as short-rotation woody or fibrous agricultural crops;

86.14 (5) landfill gas;

86.15 (6) the predominantly organic components of wastewater effluent, sludge, or related
86.16 by-products from publicly owned treatment works; and

86.17 (7) mixed municipal solid waste, and refuse-derived fuel from mixed municipal solid
86.18 waste.

86.19 (d) "Qualifying solar energy project" means a qualifying solar thermal project or
86.20 qualifying solar electric project.

86.21 (e) "Qualifying solar thermal project" means a flat plate or evacuated tube that meets
86.22 the requirements of section 216C.25 with a fixed orientation that collects the sun's radiant
86.23 energy and transfers it to a storage medium for distribution as energy to heat or cool air or
86.24 water, but does not include equipment used to heat water at a residential property (1) for
86.25 domestic use if less than one-half of the energy used for that purpose is derived from the
86.26 sun or (2) for use in a hot tub or swimming pool.

86.27 (f) "Qualifying solar electric project" means:

86.28 (1) solar electric equipment that: (i) meets the requirements of section 216C.25; (ii) has
86.29 a peak generating capacity of 100 kilowatts or less; and (iii) is used to generate electricity
86.30 for use in a residential, commercial, or publicly owned property or facility; and

87.1 (2) if applicable, equipment that is used to store the electricity generated by a qualified
 87.2 solar electric project under clause (1) and that is located proximate to the property or facility
 87.3 using the electricity.

87.4 (g) "Residential property" means the principal residence of a homeowner at the time the
 87.5 solar equipment is placed in service.

87.6 Sec. 94. Minnesota Statutes 2024, section 216B.2425, subdivision 7, is amended to read:

87.7 Subd. 7. **Transmission needed to support renewable resources.** (a) Each entity subject
 87.8 to this section shall determine necessary transmission upgrades to support development of
 87.9 renewable energy resources required to meet objectives under section 216B.1691 and shall
 87.10 include those upgrades in its report under subdivision 2.

87.11 ~~(b) MS 2008 [Expired]~~

87.12 Sec. 95. Minnesota Statutes 2024, section 216B.2427, subdivision 1, is amended to read:

87.13 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 216B.2428,
 87.14 the following terms have the meanings given.

87.15 (b) "Biogas" means gas produced by the anaerobic digestion of biomass, gasification of
 87.16 biomass, or other effective conversion processes.

87.17 (c) "Carbon capture" means the capture of greenhouse gas emissions that would otherwise
 87.18 be released into the atmosphere.

87.19 (d) "Carbon-free resource" means an electricity generation facility whose operation does
 87.20 not contribute to statewide greenhouse gas emissions, as defined in section 216H.01,
 87.21 subdivision 2.

87.22 (e) "Disadvantaged community" means a community in Minnesota that is:

87.23 (1) defined as disadvantaged by the federal agency disbursing federal funds, when the
 87.24 federal agency is providing funds for an innovative resource; or

87.25 (2) an environmental justice area, as defined under section 216B.1691, subdivision 1.

87.26 (f) "District energy" means a heating or cooling system that is solar thermal powered or
 87.27 that uses the constant temperature of the earth or underground aquifers as a thermal exchange
 87.28 medium to heat or cool multiple buildings connected through a piping network.

87.29 (g) "Energy efficiency" has the meaning given in section ~~216B.241, subdivision 1,~~
 87.30 ~~paragraph (f)~~ 216B.2402, subdivision 7, but does not include energy conservation investments

88.1 that the commissioner determines could reasonably be included in a utility's conservation
88.2 improvement program.

88.3 (h) "Greenhouse gas emissions" means emissions of carbon dioxide, methane, nitrous
88.4 oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride emitted by
88.5 anthropogenic sources within Minnesota and from the generation of electricity imported
88.6 from outside the state and consumed in Minnesota, excluding carbon dioxide that is injected
88.7 into geological formations to prevent its release to the atmosphere in compliance with
88.8 applicable laws.

88.9 (i) "Innovative resource" means biogas, renewable natural gas, power-to-hydrogen,
88.10 power-to-ammonia, carbon capture, strategic electrification, district energy, and energy
88.11 efficiency.

88.12 (j) "Lifecycle greenhouse gas emissions" means the aggregate greenhouse gas emissions
88.13 resulting from the production, processing, transmission, and consumption of an energy
88.14 resource.

88.15 (k) "Lifecycle greenhouse gas emissions intensity" means lifecycle greenhouse gas
88.16 emissions per unit of energy delivered to an end user.

88.17 (l) "Nonexempt customer" means a utility customer that has not been included in a
88.18 utility's innovation plan under subdivision 3, paragraph (f).

88.19 (m) "Power-to-ammonia" means the production of ammonia from hydrogen produced
88.20 via power-to-hydrogen using a process that has a lower lifecycle greenhouse gas intensity
88.21 than does natural gas produced from conventional geologic sources.

88.22 (n) "Power-to-hydrogen" means the use of electricity generated by a carbon-free resource
88.23 to produce hydrogen.

88.24 (o) "Renewable energy" has the meaning given in section 216B.2422, subdivision 1.

88.25 (p) "Renewable natural gas" means biogas that has been processed to be interchangeable
88.26 with, and that has a lower lifecycle greenhouse gas intensity than, natural gas produced
88.27 from conventional geologic sources.

88.28 (q) "Solar thermal" has the meaning given to qualifying solar thermal project in section
88.29 216B.2411, subdivision 2, paragraph (d).

88.30 (r) "Strategic electrification" means the installation of electric end-use equipment in an
88.31 existing building in which natural gas is a primary or back-up fuel source, or in a newly

89.1 constructed building in which a customer receives natural gas service for one or more
89.2 end-uses, provided that the electric end-use equipment:

89.3 (1) results in a net reduction in statewide greenhouse gas emissions, as defined in section
89.4 216H.01, subdivision 2, over the life of the equipment when compared to the most efficient
89.5 commercially available natural gas alternative; and

89.6 (2) is installed and operated in a manner that improves the load factor of the customer's
89.7 electric utility.

89.8 Strategic electrification does not include investments that the commissioner determines
89.9 could reasonably be included in the natural gas utility's conservation improvement program
89.10 under section 216B.241.

89.11 (s) "Thermal energy network" means a project that provides heating and cooling to
89.12 multiple buildings connected via underground piping containing fluids that, in concert with
89.13 heat pumps, exchange thermal energy from the earth, underground or surface waters,
89.14 wastewater, or other heat sources.

89.15 (t) "Total incremental cost" means the calculation of the following components of a
89.16 utility's innovation plan approved by the commission under subdivision 2:

89.17 (1) the sum of:

89.18 (i) return of and on capital investments for the production, processing, pipeline
89.19 interconnection, storage, and distribution of innovative resources;

89.20 (ii) incremental operating costs associated with capital investments in infrastructure for
89.21 the production, processing, pipeline interconnection, storage, and distribution of innovative
89.22 resources;

89.23 (iii) incremental costs to procure innovative resources from third parties;

89.24 (iv) incremental costs to develop and administer programs; and

89.25 (v) incremental costs for research and development related to innovative resources;

89.26 (2) less the sum of:

89.27 (i) value received by the utility upon the resale of innovative resources or innovative
89.28 resource by-products, including any environmental credits included with the resale of
89.29 renewable gaseous fuels or value received by the utility when innovative resources are used
89.30 as vehicle fuel;

90.1 (ii) cost savings achieved through avoidance of purchases of natural gas produced from
 90.2 conventional geologic sources, including but not limited to avoided commodity purchases
 90.3 and avoided pipeline costs; and

90.4 (iii) other revenues received by the utility that are directly attributable to the utility's
 90.5 implementation of an innovation plan.

90.6 (u) "Utility" means a public utility, as defined in section 216B.02, subdivision 4, that
 90.7 provides natural gas sales or natural gas transportation services to customers in Minnesota.

90.8 Sec. 96. Minnesota Statutes 2024, section 216B.2427, subdivision 2, is amended to read:

90.9 Subd. 2. **Innovation plans.** (a) A natural gas utility may file an innovation plan with
 90.10 the commission. The utility's plan must include, as applicable, the following components:

90.11 (1) the innovative resource or resources the utility plans to implement to contribute to
 90.12 meeting the state's greenhouse gas and renewable energy goals, including those established
 90.13 in section 216C.05, subdivision 2, clause (3), and section 216H.02, subdivision 1, within
 90.14 the requirements and limitations set forth in this section;

90.15 (2) research and development investments related to innovative resources the utility
 90.16 plans to undertake;

90.17 (3) total lifecycle greenhouse gas emissions that the utility projects are reduced or avoided
 90.18 through implementing the plan;

90.19 (4) a comparison of the estimate in clause (3) to total emissions from natural gas use by
 90.20 utility customers in 2020;

90.21 (5) a description of each pilot program included in the plan that is related to the
 90.22 development or provision of innovative resources, and an estimate of the total incremental
 90.23 costs to implement each pilot program;

90.24 (6) the cost-effectiveness of innovative resources calculated from the perspective of the
 90.25 utility, society, the utility's nonparticipating customers, and the utility's participating
 90.26 customers compared to other innovative resources that could be deployed to reduce or avoid
 90.27 the same greenhouse gas emissions targeted for reduction by the utility's proposed innovative
 90.28 resource;

90.29 (7) for any pilot program not previously approved as part of the utility's most recent
 90.30 innovation plan, a third-party analysis of:

90.31 (i) the lifecycle greenhouse gas emissions intensity of the proposed innovative resources;
 90.32 and

91.1 (ii) the forecasted lifecycle greenhouse gas emissions reduced or avoided if the proposed
91.2 pilot program is implemented;

91.3 (8) an explanation of the methodology used by the utility to calculate the lifecycle
91.4 greenhouse gas emissions avoided or reduced by each pilot program included in the plan,
91.5 including descriptions of how the utility's method deviated, if at all, from the carbon
91.6 accounting frameworks established by the commission under section 216B.2428;

91.7 (9) a discussion of whether the plan supports the development and use of alternative
91.8 agricultural products, waste reduction, reuse, or anaerobic digestion of organic waste, and
91.9 the recovery of energy from wastewater, and, if it does, a description of the geographic
91.10 areas of the state in which the benefits are realized;

91.11 (10) a description of third-party systems and processes the utility plans to use to:

91.12 (i) track the innovative resources included in the plan so that environmental benefits
91.13 produced by the plan are not claimed for any other program; and

91.14 (ii) verify the environmental attributes and greenhouse gas emissions intensity of
91.15 innovative resources included in the plan;

91.16 (11) projected local job impacts resulting from implementation of the plan and a
91.17 description of steps the utility and the utility's energy suppliers and contractors are taking
91.18 to maximize the availability of construction employment opportunities for local workers;

91.19 (12) a description of how the utility proposes to recover annual total incremental costs
91.20 of the plan;

91.21 (13) steps the utility has taken or proposes to take to reduce the expected cost of the plan
91.22 on low- and moderate-income residential customers and to ensure that low- and
91.23 moderate-income residential customers benefit from innovative resources included in the
91.24 plan;

91.25 (14) a report on the utility's progress toward implementing the utility's previously
91.26 approved innovation plan, if applicable;

91.27 (15) a report of the utility's progress toward achieving the cost-effectiveness objectives
91.28 established by the commission with respect to the utility's previously approved innovation
91.29 plan, if applicable; and

91.30 (16) collections of pilot programs that the utility estimates would, if implemented, provide
91.31 approximately 50 percent, 150 percent, and 200 percent of the greenhouse gas reduction or
91.32 avoidance benefits of the utility's proposed plan.

92.1 (b) The commission must approve, modify, or reject a plan. The commission must not
92.2 approve an innovation plan unless the commission finds:

92.3 (1) the size, scope, and scale of the plan produces net benefits under the cost-benefit
92.4 framework established by the commission in section 216B.2428;

92.5 (2) the plan promotes the use of renewable energy resources and reduces or avoids
92.6 greenhouse gas emissions at a cost level consistent with subdivision 3;

92.7 (3) the plan promotes local economic development;

92.8 (4) the innovative resources included in the plan have a lower lifecycle greenhouse gas
92.9 intensity than natural gas produced from conventional geologic sources;

92.10 (5) the systems used to track and verify the environmental attributes of the innovative
92.11 resources included in the plan are reasonable, considering available third-party tracking and
92.12 verification systems;

92.13 (6) the costs and revenues projected under the plan are reasonable in comparison to other
92.14 innovative resources the utility could deploy to reduce greenhouse gas emissions, considering
92.15 other benefits of the innovative resources included in the plan;

92.16 (7) the total amount of estimated greenhouse gas emissions reduction or avoidance to
92.17 be achieved under the plan is reasonable considering the state's greenhouse gas and renewable
92.18 energy goals, including those established in section 216C.05, subdivision 2, clause (3), and
92.19 section 216H.02, subdivision 1; customer cost; and the total amount of greenhouse gas
92.20 emissions reduction or avoidance achieved under the utility's previously approved plans, if
92.21 applicable; and

92.22 (8) any renewable natural gas purchased by a utility under the plan that is produced from
92.23 the anaerobic digestion of manure is certified as being produced at an agricultural livestock
92.24 production facility that has not and does not increase the number of animal units at the
92.25 facility solely or primarily to produce renewable natural gas for the plan.

92.26 (c) In seeking to recover costs under a plan approved by the commission under this
92.27 section, the utility must demonstrate to the satisfaction of the commission that the actual
92.28 total incremental costs incurred to implement the approved innovation plan are reasonable.
92.29 Prudently incurred costs under an approved plan, including prudently incurred costs to
92.30 obtain the third-party analysis required in paragraph (a), clauses (6) and (7), are recoverable
92.31 either:

92.32 (1) under section 216B.16, subdivision 7, clause (2), via the utility's purchased gas
92.33 adjustment;

93.1 (2) in the utility's next general rate case; or

93.2 (3) via annual adjustments, provided that after notice and comment the commission
93.3 determines that the costs included for recovery through rates are prudently incurred. Annual
93.4 adjustments must include a rate of return, income taxes on the rate of return, incremental
93.5 property taxes, incremental depreciation expense, and incremental operation and maintenance
93.6 expenses. The rate of return must be at the level approved by the commission in the utility's
93.7 last general rate case, unless the commission determines that a different rate of return is in
93.8 the public interest.

93.9 (d) The commission may not approve a utility's initial plan filed under this section unless:

93.10 (1) 50 percent or more of the utility's costs approved by the commission for recovery
93.11 under the plan are for the procurement and distribution of renewable natural gas, biogas,
93.12 hydrogen produced via power-to-hydrogen, and ammonia produced via power-to-ammonia;
93.13 and

93.14 (2) the utility's costs approved by the commission for recovery for any pilot program to
93.15 facilitate the development, expansion, or modification of district energy systems, as required
93.16 under subdivision 9, represent no more than 20 percent of the total costs approved by the
93.17 commission for recovery under the plan.

93.18 (e) Upon approval of a utility's plan, the commission shall establish cost-effectiveness
93.19 objectives for the plan based on the cost-benefit test for innovative resources developed
93.20 under section 216B.2428. The cost-effectiveness objective for each plan must demonstrate
93.21 incremental progress from the previously approved plan's cost-effectiveness objective.

93.22 (f) A utility operating under an approved plan must file annual reports to the commission
93.23 on work completed under the plan, including:

93.24 (1) costs incurred;

93.25 (2) lifecycle greenhouse gas emissions reductions or avoidance achieved;

93.26 (3) a description of the processes used to track and verify the innovative resources and
93.27 to retire the associated environmental attributes;

93.28 (4) an assessment of the degree to which the lifecycle greenhouse gas accounting
93.29 methodology is consistent with current science;

93.30 (5) the economic impact of the plan, including job creation;

93.31 (6) the utility's progress toward achieving the cost-effectiveness objectives established
93.32 by the commission; and

- 94.1 (7) modifications to elements of the plan proposed by the utility.
- 94.2 (g) When evaluating a utility's annual report, the commission may:
- 94.3 (1) approve the continuation of a pilot program included in the plan, with or without
94.4 modifications;
- 94.5 (2) require the utility to file a new or modified pilot program or plan; or
- 94.6 (3) disapprove the continuation of a pilot program or plan.
- 94.7 (h) An innovation plan has a term of five years. A subsequent innovation plan must be
94.8 filed no later than four years after the previous plan was approved by the commission so
94.9 that, if approved, the new plan takes effect immediately upon expiration of the previous
94.10 plan.
- 94.11 (i) For purposes of this section and the commission's lifecycle carbon accounting
94.12 framework and cost-benefit test for innovative resources under section 216B.2428, any
94.13 required analysis of lifecycle greenhouse gas emissions reductions or avoidance, or lifecycle
94.14 greenhouse gas intensity:
- 94.15 (1) must include but is not limited to estimates of:
- 94.16 (i) avoided or reduced greenhouse gas emissions attributable to utility operations;
- 94.17 (ii) avoided or reduced greenhouse gas emissions from the production, processing, and
94.18 transmission of fuels prior to receipt by the utility; and
- 94.19 (iii) avoided or reduced greenhouse gas emissions at the point of end use;
- 94.20 (2) must not count any unit of greenhouse gas emissions avoidance or reduction more
94.21 than once; and
- 94.22 (3) may, where direct measurement is not technically or economically feasible, rely on
94.23 emissions factors, default values, or engineering estimates from a publicly accessible source
94.24 accepted by a federal or state government agency, provided that the emissions factors,
94.25 default values, or engineering estimates can be demonstrated to the satisfaction of the
94.26 commission to produce a reasonable estimate of greenhouse gas emissions reductions,
94.27 avoidance, or intensity.
- 94.28 (j) ~~Strategic electrification implemented in a plan approved by the commission under~~
94.29 ~~this section is not eligible for a financial incentive under section 216B.241, subdivision 2c.~~
94.30 Electric end-use equipment installed under a plan approved by the commission under this
94.31 section is the exclusive property of the building owner.

95.1 Sec. 97. Minnesota Statutes 2024, section 216C.437, subdivision 19, is amended to read:

95.2 Subd. 19. **Right to rescind a residential PACE loan contract.** (a) A homeowner shall
95.3 have the right to rescind, without penalty or obligation, a residential PACE loan contract
95.4 until midnight on the third calendar day following execution of the contract by the
95.5 homeowner. For the purposes of this subdivision, the rescission period begins at 12:01 a.m.
95.6 of the day following the day the contract was executed by the homeowner.

95.7 (b) The homeowner shall notify the offering party of the rescission by:

95.8 (1) mail or other written communications delivered to the offeror's physical address; or

95.9 (2) ~~by~~ electronic means if the residential PACE administrator or residential PACE
95.10 contractor has previously communicated with the homeowner via electronic means. Service
95.11 by mail is effective upon deposit in the United States mail.

95.12 (c) Any payments made by the homeowner in connection with the residential PACE
95.13 loan or a home improvement contract for cost-effective energy improvements financed with
95.14 a residential PACE loan must be returned to the homeowner within 20 business days after
95.15 receipt by the administrator or the contractor by any means of notification of rescission.

95.16 (d) When more than one homeowner in a transaction has the right to rescind, the exercise
95.17 of the right by one consumer shall be effective as to all homeowners.

95.18 Sec. 98. Minnesota Statutes 2024, section 216I.06, subdivision 2, is amended to read:

95.19 Subd. 2. **Public hearing.** (a) No sooner than 15 days after the date the draft environmental
95.20 impact statement is published, the commission must hold a public hearing on an application
95.21 for a large energy infrastructure facility site or route permit. A hearing held to designate a
95.22 site or route must be conducted by an administrative law judge from the Office of
95.23 Administrative Hearings.

95.24 (b) The commission may designate a portion of the hearing to be conducted as a contested
95.25 case proceeding under chapter 14.

95.26 (c) The commission must provide notice of the hearing at least ten days before but no
95.27 earlier than 45 days before the date the hearing commences. The commission must provide
95.28 notice by (1) publishing in a legal newspaper of general circulation in the county in which
95.29 the public hearing is to be held, (2) mailing to chief executives of the regional development
95.30 commissions, counties, organized towns, townships, and incorporated municipalities in
95.31 which a site or route is proposed, and (3) mailing to Tribal governments, as defined by
95.32 section 10.65, subdivision 2.

96.1 (d) Any person may appear at the hearings and offer testimony and exhibits without the
 96.2 necessity of intervening as a formal party to the proceedings. The administrative law judge
 96.3 may allow any person to ask questions of other witnesses.

96.4 (e) The administrative law judge must hold a portion of the hearing in the area where
 96.5 the large energy infrastructure facility's location is proposed.

96.6 (f) The commission and administrative law judge must accept written comments for at
 96.7 least 20 days after the public hearing's date.

96.8 Sec. 99. Minnesota Statutes 2024, section 245A.03, subdivision 6, is amended to read:

96.9 Subd. 6. **Right to seek certification.** Nothing in this section shall prohibit a residential
 96.10 program licensed by the commissioner of corrections to serve children; that is excluded
 96.11 from licensure under subdivision 2, paragraph (a), clause ~~(10)~~ (9), from seeking certification
 96.12 from the commissioner of human services under this chapter for program services for which
 96.13 certification standards have been adopted.

96.14 Sec. 100. Minnesota Statutes 2024, section 245A.03, subdivision 7, is amended to read:

96.15 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
 96.16 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, which
 96.17 does not include child foster residence settings with residential program certifications for
 96.18 compliance with the Family First Prevention Services Act under section 245A.25, subdivision
 96.19 1, paragraph (a), or adult foster care licensed under Minnesota Rules, parts 9555.5105 to
 96.20 9555.6265, under this chapter for a physical location that will not be the primary residence
 96.21 of the license holder for the entire period of licensure. If a child foster residence setting that
 96.22 was previously exempt from the licensing moratorium under this paragraph has its Family
 96.23 First Prevention Services Act certification rescinded under section 245A.25, subdivision 9,
 96.24 or if a family adult foster care home license is issued during this moratorium, and the license
 96.25 holder changes the license holder's primary residence away from the physical location of
 96.26 the foster care license, the commissioner shall revoke the license according to section
 96.27 245A.07. The commissioner shall not issue an initial license for a community residential
 96.28 setting licensed under chapter 245D. When approving an exception under this paragraph,
 96.29 the commissioner shall consider the resource need determination process in paragraph (h),
 96.30 the availability of foster care licensed beds in the geographic area in which the licensee
 96.31 seeks to operate, the results of a person's choices during their annual assessment and service
 96.32 plan review, and the recommendation of the local county board. The determination by the
 96.33 commissioner is final and not subject to appeal. Exceptions to the moratorium include:

97.1 (1) a license for a person in a foster care setting that is not the primary residence of the
97.2 license holder and where at least 80 percent of the residents are 55 years of age or older;

97.3 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
97.4 community residential setting licenses replacing adult foster care licenses in existence on
97.5 December 31, 2013, and determined to be needed by the commissioner under paragraph
97.6 (b);

97.7 (3) new foster care licenses or community residential setting licenses determined to be
97.8 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
97.9 or regional treatment center; restructuring of state-operated services that limits the capacity
97.10 of state-operated facilities; or allowing movement to the community for people who no
97.11 longer require the level of care provided in state-operated facilities as provided under section
97.12 256B.092, subdivision 13, or 256B.49, subdivision 24; or

97.13 (4) new foster care licenses or community residential setting licenses determined to be
97.14 needed by the commissioner under paragraph (b) for persons requiring hospital-level care;
97.15 ~~or.~~

97.16 ~~(5) new community residential setting licenses determined necessary by the commissioner~~
97.17 ~~for people affected by the closure of homes with a capacity of five or six beds currently~~
97.18 ~~licensed as supervised living facilities licensed under Minnesota Rules, chapter 4665, but~~
97.19 ~~not designated as intermediate care facilities. This exception is available until June 30, 2025.~~

97.20 (b) The commissioner shall determine the need for newly licensed foster care homes or
97.21 community residential settings as defined under this subdivision. As part of the determination,
97.22 the commissioner shall consider the availability of foster care capacity in the area in which
97.23 the licensee seeks to operate, and the recommendation of the local county board. The
97.24 determination by the commissioner must be final. A determination of need is not required
97.25 for a change in ownership at the same address.

97.26 (c) When an adult resident served by the program moves out of a foster home that is not
97.27 the primary residence of the license holder according to section 256B.49, subdivision 15,
97.28 paragraph (f), or the adult community residential setting, the county shall immediately
97.29 inform the Department of Human Services Licensing Division. The department may decrease
97.30 the statewide licensed capacity for adult foster care settings.

97.31 (d) Residential settings that would otherwise be subject to the decreased license capacity
97.32 established in paragraph (c) must be exempt if the license holder's beds are occupied by
97.33 residents whose primary diagnosis is mental illness and the license holder is certified under
97.34 the requirements in subdivision 6a or section 245D.33.

98.1 (e) A resource need determination process, managed at the state level, using the available
98.2 data required by section 144A.351, and other data and information must be used to determine
98.3 where the reduced capacity determined under section 256B.493 will be implemented. The
98.4 commissioner shall consult with the stakeholders described in section 144A.351, and employ
98.5 a variety of methods to improve the state's capacity to meet the informed decisions of those
98.6 people who want to move out of corporate foster care or community residential settings,
98.7 long-term service needs within budgetary limits, including seeking proposals from service
98.8 providers or lead agencies to change service type, capacity, or location to improve services,
98.9 increase the independence of residents, and better meet needs identified by the long-term
98.10 services and supports reports and statewide data and information.

98.11 (f) At the time of application and reapplication for licensure, the applicant and the license
98.12 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
98.13 required to inform the commissioner whether the physical location where the foster care
98.14 will be provided is or will be the primary residence of the license holder for the entire period
98.15 of licensure. If the primary residence of the applicant or license holder changes, the applicant
98.16 or license holder must notify the commissioner immediately. The commissioner shall print
98.17 on the foster care license certificate whether or not the physical location is the primary
98.18 residence of the license holder.

98.19 (g) License holders of foster care homes identified under paragraph (f) that are not the
98.20 primary residence of the license holder and that also provide services in the foster care home
98.21 that are covered by a federally approved home and community-based services waiver, as
98.22 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
98.23 services licensing division that the license holder provides or intends to provide these
98.24 waiver-funded services.

98.25 (h) The commissioner may adjust capacity to address needs identified in section
98.26 144A.351. Under this authority, the commissioner may approve new licensed settings or
98.27 delicense existing settings. Delicensing of settings will be accomplished through a process
98.28 identified in section 256B.493.

98.29 (i) The commissioner must notify a license holder when its corporate foster care or
98.30 community residential setting licensed beds are reduced under this section. The notice of
98.31 reduction of licensed beds must be in writing and delivered to the license holder by certified
98.32 mail or personal service. The notice must state why the licensed beds are reduced and must
98.33 inform the license holder of its right to request reconsideration by the commissioner. The
98.34 license holder's request for reconsideration must be in writing. If mailed, the request for
98.35 reconsideration must be postmarked and sent to the commissioner within 20 calendar days

99.1 after the license holder's receipt of the notice of reduction of licensed beds. If a request for
99.2 reconsideration is made by personal service, it must be received by the commissioner within
99.3 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

99.4 (j) The commissioner shall not issue an initial license for children's residential treatment
99.5 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
99.6 for a program that Centers for Medicare and Medicaid Services would consider an institution
99.7 for mental diseases. Facilities that serve only private pay clients are exempt from the
99.8 moratorium described in this paragraph. The commissioner has the authority to manage
99.9 existing statewide capacity for children's residential treatment services subject to the
99.10 moratorium under this paragraph and may issue an initial license for such facilities if the
99.11 initial license would not increase the statewide capacity for children's residential treatment
99.12 services subject to the moratorium under this paragraph.

99.13 Sec. 101. Minnesota Statutes 2025 Supplement, section 245A.04, subdivision 1, is amended
99.14 to read:

99.15 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government
99.16 entity that is subject to licensure under section 245A.03 must apply for a license. The
99.17 application must be made on the forms and in the manner prescribed by the commissioner.
99.18 The commissioner shall provide the applicant with instruction in completing the application
99.19 and provide information about the rules and requirements of other state agencies that affect
99.20 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of
99.21 Minnesota must have a program office located within 30 miles of the Minnesota border.
99.22 An applicant who intends to buy or otherwise acquire a program or services licensed under
99.23 this chapter that is owned by another license holder must apply for a license under this
99.24 chapter and comply with the application procedures in this section and section 245A.043.

99.25 The commissioner shall act on the application within 90 working days after a complete
99.26 application and any required reports have been received from other state agencies or
99.27 departments, counties, municipalities, or other political subdivisions. The commissioner
99.28 shall not consider an application to be complete until the commissioner receives all of the
99.29 required information. If the applicant or a controlling individual is the subject of a pending
99.30 administrative, civil, or criminal investigation, the application is not complete until the
99.31 investigation has closed or the related legal proceedings are complete.

99.32 When the commissioner receives an application for initial licensure that is incomplete
99.33 because the applicant failed to submit required documents or that is substantially deficient
99.34 because the documents submitted do not meet licensing requirements, the commissioner

100.1 shall provide the applicant written notice that the application is incomplete or substantially
100.2 deficient. In the written notice to the applicant the commissioner shall identify documents
100.3 that are missing or deficient and give the applicant 45 days to resubmit a second application
100.4 that is substantially complete. An applicant's failure to submit a substantially complete
100.5 application after receiving notice from the commissioner is a basis for license denial under
100.6 section ~~245A.043~~ 245A.05.

100.7 (b) An application for licensure must identify all controlling individuals as defined in
100.8 section 245A.02, subdivision 5a, and must designate one individual to be the authorized
100.9 agent. The application must be signed by the authorized agent and must include the authorized
100.10 agent's first, middle, and last name; mailing address; and email address. By submitting an
100.11 application for licensure, the authorized agent consents to electronic communication with
100.12 the commissioner throughout the application process. The authorized agent must be
100.13 authorized to accept service on behalf of all of the controlling individuals. A government
100.14 entity that holds multiple licenses under this chapter may designate one authorized agent
100.15 for all licenses issued under this chapter or may designate a different authorized agent for
100.16 each license. Service on the authorized agent is service on all of the controlling individuals.
100.17 It is not a defense to any action arising under this chapter that service was not made on each
100.18 controlling individual. The designation of a controlling individual as the authorized agent
100.19 under this paragraph does not affect the legal responsibility of any other controlling individual
100.20 under this chapter.

100.21 (c) An applicant or license holder must have a policy that prohibits license holders,
100.22 employees, subcontractors, and volunteers, when directly responsible for persons served
100.23 by the program, from abusing prescription medication or being in any manner under the
100.24 influence of a chemical that impairs the individual's ability to provide services or care. The
100.25 license holder must train employees, subcontractors, and volunteers about the program's
100.26 drug and alcohol policy before the employee, subcontractor, or volunteer has direct contact,
100.27 as defined in section 245C.02, subdivision 11, with a person served by the program.

100.28 (d) An applicant and license holder must have a program grievance procedure that permits
100.29 persons served by the program and their authorized representatives to bring a grievance to
100.30 the highest level of authority in the program.

100.31 (e) The commissioner may limit communication during the application process to the
100.32 authorized agent or the controlling individuals identified on the license application and for
100.33 whom a background study was initiated under chapter 245C. Upon implementation of the
100.34 provider licensing and reporting hub, applicants and license holders must use the hub in the
100.35 manner prescribed by the commissioner. The commissioner may require the applicant,

101.1 except for child foster care, to demonstrate competence in the applicable licensing
101.2 requirements by successfully completing a written examination. The commissioner may
101.3 develop a prescribed written examination format.

101.4 (f) When an applicant is an individual, the applicant must provide:

101.5 (1) the applicant's taxpayer identification numbers including the Social Security number
101.6 or Minnesota tax identification number, and federal employer identification number if the
101.7 applicant has employees;

101.8 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
101.9 of state that includes the complete business name, if any;

101.10 (3) if doing business under a different name, the doing business as (DBA) name, as
101.11 registered with the secretary of state;

101.12 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique
101.13 Minnesota Provider Identifier (UMPI) number; and

101.14 (5) at the request of the commissioner, the notarized signature of the applicant or
101.15 authorized agent.

101.16 (g) When an applicant is an organization, the applicant must provide:

101.17 (1) the applicant's taxpayer identification numbers including the Minnesota tax
101.18 identification number and federal employer identification number;

101.19 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
101.20 of state that includes the complete business name, and if doing business under a different
101.21 name, the doing business as (DBA) name, as registered with the secretary of state;

101.22 (3) the first, middle, and last name, and address for all individuals who will be controlling
101.23 individuals, including all officers, owners, and managerial officials as defined in section
101.24 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant
101.25 for each controlling individual;

101.26 (4) if applicable, the applicant's NPI number and UMPI number;

101.27 (5) the documents that created the organization and that determine the organization's
101.28 internal governance and the relations among the persons that own the organization, have
101.29 an interest in the organization, or are members of the organization, in each case as provided
101.30 or authorized by the organization's governing statute, which may include a partnership
101.31 agreement, bylaws, articles of organization, organizational chart, and operating agreement,
101.32 or comparable documents as provided in the organization's governing statute; and

- 102.1 (6) the notarized signature of the applicant or authorized agent.
- 102.2 (h) When the applicant is a government entity, the applicant must provide:
- 102.3 (1) the name of the government agency, political subdivision, or other unit of government
102.4 seeking the license and the name of the program or services that will be licensed;
- 102.5 (2) the applicant's taxpayer identification numbers including the Minnesota tax
102.6 identification number and federal employer identification number;
- 102.7 (3) a letter signed by the manager, administrator, or other executive of the government
102.8 entity authorizing the submission of the license application; and
- 102.9 (4) if applicable, the applicant's NPI number and UMPI number.
- 102.10 (i) At the time of application for licensure or renewal of a license under this chapter, the
102.11 applicant or license holder must acknowledge on the form provided by the commissioner
102.12 if the applicant or license holder elects to receive any public funding reimbursement from
102.13 the commissioner for services provided under the license that:
- 102.14 (1) the applicant's or license holder's compliance with the provider enrollment agreement
102.15 or registration requirements for receipt of public funding may be monitored by the
102.16 commissioner as part of a licensing investigation or licensing inspection; and
- 102.17 (2) noncompliance with the provider enrollment agreement or registration requirements
102.18 for receipt of public funding that is identified through a licensing investigation or licensing
102.19 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for
102.20 reimbursement for a service, may result in:
- 102.21 (i) a correction order or a conditional license under section 245A.06, or sanctions under
102.22 section 245A.07;
- 102.23 (ii) nonpayment of claims submitted by the license holder for public program
102.24 reimbursement;
- 102.25 (iii) recovery of payments made for the service;
- 102.26 (iv) disenrollment in the public payment program; or
- 102.27 (v) other administrative, civil, or criminal penalties as provided by law.

102.28 Sec. 102. Minnesota Statutes 2024, section 245A.07, subdivision 2a, is amended to read:

102.29 Subd. 2a. **Immediate suspension expedited hearing.** (a) Within five working days of
102.30 receipt of the license holder's timely appeal, the commissioner shall request assignment of
102.31 an administrative law judge. The request must include a proposed date, time, and place of

103.1 a hearing. A hearing must be conducted by an administrative law judge within 30 calendar
103.2 days of the request for assignment, unless an extension is requested by either party and
103.3 granted by the administrative law judge for good cause. The commissioner shall issue a
103.4 notice of hearing by certified mail or personal service at least ten working days before the
103.5 hearing. The scope of the hearing shall be limited solely to the issue of whether the temporary
103.6 immediate suspension should remain in effect pending the commissioner's final order under
103.7 section 245A.08, regarding a licensing sanction issued under subdivision 3 following the
103.8 immediate suspension. For suspensions under subdivision 2, paragraph (a), clause (1), the
103.9 burden of proof in expedited hearings under this subdivision shall be limited to the
103.10 commissioner's demonstration that reasonable cause exists to believe that the license holder's
103.11 actions or failure to comply with applicable law or rule poses, or the actions of other
103.12 individuals or conditions in the program poses an imminent risk of harm to the health, safety,
103.13 or rights of persons served by the program. "Reasonable cause" means there exist specific
103.14 articulable facts or circumstances which provide the commissioner with a reasonable
103.15 suspicion that there is an imminent risk of harm to the health, safety, or rights of persons
103.16 served by the program. When the commissioner has determined there is reasonable cause
103.17 to order the temporary immediate suspension of a license based on a violation of safe sleep
103.18 requirements, as defined in section 245A.1435, the commissioner is not required to
103.19 demonstrate that an infant died or was injured as a result of the safe sleep violations. For
103.20 suspensions under subdivision 2, paragraph (a), clause (2), the burden of proof in expedited
103.21 hearings under this subdivision shall be limited to the commissioner's demonstration by a
103.22 preponderance of the evidence that, since the license was revoked, the license holder
103.23 committed additional violations of law or rule which may adversely affect the health or
103.24 safety of persons served by the program.

103.25 (b) The administrative law judge shall issue findings of fact, conclusions, and a
103.26 recommendation within ten working days from the date of hearing. The parties shall have
103.27 ten calendar days to submit exceptions to the administrative law judge's report. The record
103.28 shall close at the end of the ten-day period for submission of exceptions. The commissioner's
103.29 final order shall be issued within ten working days from the close of the record. When an
103.30 appeal of a temporary immediate suspension is withdrawn or dismissed, the commissioner
103.31 shall issue a final order affirming the temporary immediate suspension within ten calendar
103.32 days of the commissioner's receipt of the withdrawal or dismissal. Within 90 calendar days
103.33 after an immediate suspension has been issued and the license holder has not submitted a
103.34 timely appeal under subdivision 2, paragraph (b), or within 90 calendar days after a final
103.35 order affirming an immediate suspension, the commissioner shall determine:

104.1 (1) whether a final licensing sanction shall be issued under subdivision 3, paragraph (a),
104.2 clauses (1) to ~~(6)~~ (5). The license holder shall continue to be prohibited from operation of
104.3 the program during this 90-day period; or

104.4 (2) whether the outcome of related, ongoing investigations or judicial proceedings are
104.5 necessary to determine if a final licensing sanction under subdivision 3, paragraph (a),
104.6 clauses (1) to ~~(6)~~ (5), will be issued and whether persons served by the program remain at
104.7 an imminent risk of harm during the investigation period or proceedings. If so, the
104.8 commissioner shall issue a suspension order under subdivision 3, paragraph (a), clause ~~(7)~~
104.9 (6).

104.10 (c) When the final order under paragraph (b) affirms an immediate suspension, or the
104.11 license holder does not submit a timely appeal of the immediate suspension, and a final
104.12 licensing sanction is issued under subdivision 3 and the license holder appeals that sanction,
104.13 the license holder continues to be prohibited from operation of the program pending a final
104.14 commissioner's order under section 245A.08, subdivision 5, regarding the final licensing
104.15 sanction.

104.16 (d) The license holder shall continue to be prohibited from operation of the program
104.17 while a suspension order issued under paragraph (b), clause (2), remains in effect.

104.18 (e) For suspensions under subdivision 2, paragraph (a), clause (3), the burden of proof
104.19 in expedited hearings under this subdivision shall be limited to the commissioner's
104.20 demonstration by a preponderance of the evidence that a criminal complaint and warrant
104.21 or summons was issued for the license holder that was not dismissed, and that the criminal
104.22 charge is an offense that involves fraud or theft against a program administered by the
104.23 commissioner.

104.24 Sec. 103. Minnesota Statutes 2025 Supplement, section 245A.191, is amended to read:

104.25 **245A.191 PROVIDER ELIGIBILITY FOR PAYMENTS FROM THE**
104.26 **BEHAVIORAL HEALTH FUND.**

104.27 (a) When a substance use disorder treatment provider licensed under this chapter, and
104.28 governed by the standards of chapter 245G or Minnesota Rules, parts 2960.0430 to
104.29 2960.0490, agrees to meet the applicable requirements under sections ~~245B.0505~~ 254B.0505
104.30 and 254B.0507 to be eligible for enhanced funding from the behavioral health fund, the
104.31 applicable requirements under sections 254B.0501 to 254B.0507 are also licensing
104.32 requirements that may be monitored for compliance through licensing investigations and
104.33 licensing inspections.

- 105.1 (b) Noncompliance with the requirements identified under paragraph (a) may result in:
- 105.2 (1) a correction order or a conditional license under section 245A.06, or sanctions under
- 105.3 section 245A.07;
- 105.4 (2) nonpayment of claims submitted by the license holder for public program
- 105.5 reimbursement;
- 105.6 (3) recovery of payments made for the service;
- 105.7 (4) disenrollment in the public payment program; or
- 105.8 (5) other administrative, civil, or criminal penalties as provided by law.

105.9 Sec. 104. Minnesota Statutes 2025 Supplement, section 245C.08, subdivision 1, is amended

105.10 to read:

105.11 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)

105.12 For a background study conducted by the Department of Human Services, the commissioner

105.13 shall review:

105.14 (1) information related to names of substantiated perpetrators of maltreatment of

105.15 vulnerable adults that has been received by the commissioner as required under section

105.16 626.557, subdivision 9c, paragraph (j);

105.17 (2) the commissioner's records relating to the maltreatment of minors in licensed

105.18 programs, and from findings of maltreatment of minors as indicated through the social

105.19 service information system;

105.20 (3) information from juvenile courts as required for studies under this chapter when

105.21 there is reasonable cause;

105.22 (4) information from the Bureau of Criminal Apprehension, including information

105.23 regarding a background study subject's registration in Minnesota as a predatory offender

105.24 under section 243.166;

105.25 (5) except as provided in clause (6), information received as a result of submission of

105.26 fingerprints for a national criminal history record check, as defined in section 245C.02,

105.27 subdivision 13c, when the commissioner has reasonable cause for a national criminal history

105.28 record check as defined under section 245C.02, subdivision 15a, or as required under section

105.29 144.057, subdivision 1, clause (2);

105.30 (6) for a background study related to a child foster family setting application for licensure,

105.31 foster residence settings, children's residential facilities, a transfer of permanent legal and

106.1 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a
106.2 background study required for family child care, certified license-exempt child care, child
106.3 care centers, and legal nonlicensed child care authorized under chapter 142E, the
106.4 commissioner shall also review:

106.5 (i) information from the child abuse and neglect registry for any state in which the
106.6 background study subject has resided for the past five years;

106.7 (ii) information received from a national criminal history record check, if authorized for
106.8 the study; and

106.9 (iii) when the background study subject is 18 years of age or older or a minor under
106.10 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified
106.11 license-exempt child care, licensed child care centers, and legal nonlicensed child care
106.12 authorized under chapter 142E, information obtained using non-fingerprint-based data
106.13 including information from the criminal and sex offender registries for any state in which
106.14 the background study subject resided for the past five years and information from the national
106.15 crime information database and the national sex offender registry;

106.16 (7) for a background study required for family child care, certified license-exempt child
106.17 care centers, licensed child care centers, and legal nonlicensed child care authorized under
106.18 chapter 142E, the background study shall also include, to the extent practicable, a name and
106.19 date-of-birth search of the National Sex Offender Public website; and

106.20 (8) for a background study required for treatment programs for sexual psychopathic
106.21 personalities or sexually dangerous persons, the background study shall only include a
106.22 review of the information required under ~~paragraph (a)~~, clauses (1) to (4).

106.23 (b) Except as otherwise provided in this paragraph, notwithstanding expungement by a
106.24 court, the commissioner may consider information obtained under paragraph (a), clauses
106.25 (3) and (4), unless:

106.26 (1) the commissioner received notice of the petition for expungement and the court order
106.27 for expungement is directed specifically to the commissioner; or

106.28 (2) the commissioner received notice of the expungement order issued pursuant to section
106.29 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically
106.30 to the commissioner.

106.31 The commissioner may not consider information obtained under paragraph (a), clauses (3)
106.32 and (4), or from any other source that identifies a violation of chapter 152 without
106.33 determining if the offense involved the possession of marijuana or tetrahydrocannabinol

107.1 and, if so, whether the person received a grant of expungement or order of expungement,
107.2 or the person was resentenced to a lesser offense. If the person received a grant of
107.3 expungement or order of expungement, the commissioner may not consider information
107.4 related to that violation but may consider any other relevant information arising out of the
107.5 same incident.

107.6 (c) The commissioner shall also review criminal case information received according
107.7 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates
107.8 to individuals who have already been studied under this chapter and who remain affiliated
107.9 with the agency that initiated the background study.

107.10 (d) When the commissioner has reasonable cause to believe that the identity of a
107.11 background study subject is uncertain, the commissioner may require the subject to provide
107.12 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check
107.13 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph
107.14 shall not be saved by the commissioner after they have been used to verify the identity of
107.15 the background study subject against the particular criminal record in question.

107.16 (e) The commissioner may inform the entity that initiated a background study under
107.17 NETStudy 2.0 of the status of processing of the subject's fingerprints.

107.18 Sec. 105. Minnesota Statutes 2024, section 245D.03, subdivision 2, is amended to read:

107.19 Subd. 2. **Relationship to other standards governing home and community-based**
107.20 **services.** (a) A license holder governed by this chapter is also subject to the licensure
107.21 requirements under chapter 245A.

107.22 (b) This chapter does not apply to corporate or family child foster care homes that do
107.23 not provide services licensed under this chapter.

107.24 (c) A family adult foster care site controlled by a license holder providing services
107.25 governed by this chapter is exempt from compliance with Minnesota Rules, parts 9555.6185;
107.26 9555.6225, subpart 8; 9555.6245; ~~9555.6255~~; and 9555.6265. These exemptions apply to
107.27 family adult foster care homes where at least one resident is receiving residential supports
107.28 and services licensed according to this chapter. This chapter does not apply to family adult
107.29 foster care homes that do not provide services licensed under this chapter.

107.30 (d) A license holder providing services licensed according to this chapter in a supervised
107.31 living facility is exempt from compliance with section 245D.04.

107.32 (e) A license holder providing residential services to persons in an ICF/DD is exempt
107.33 from compliance with sections 245D.04; 245D.05, subdivision 1b; 245D.06, subdivision

108.1 2, clauses (4) and (5); 245D.071, subdivisions 4 and 5; 245D.081, subdivision 2; 245D.09,
108.2 subdivision 7; 245D.095, subdivision 2; and 245D.11, subdivision 3.

108.3 (f) A license holder providing homemaker services licensed according to this chapter
108.4 and registered according to chapter 144A is exempt from compliance with section 245D.04.

108.5 (g) Nothing in this chapter prohibits a license holder from concurrently serving persons
108.6 without disabilities or people who are or are not age 65 and older, provided this chapter's
108.7 standards are met as well as other relevant standards.

108.8 (h) The documentation required under sections 245D.07 and 245D.071 must meet the
108.9 individual program plan requirements identified in section 256B.092 or successor provisions.

108.10 Sec. 106. Minnesota Statutes 2024, section 245F.03, is amended to read:

108.11 **245F.03 APPLICATION.**

108.12 (a) This chapter establishes minimum standards for withdrawal management programs
108.13 licensed by the commissioner that serve one or more unrelated persons.

108.14 (b) This chapter does not apply to a withdrawal management program licensed as a
108.15 hospital under sections 144.50 to 144.581. A withdrawal management program located in
108.16 a hospital licensed under sections 144.50 to 144.581 that chooses to be licensed under this
108.17 chapter is deemed to be in compliance with section 245F.13.

108.18 ~~(c) Minnesota Rules, parts 9530.6600 to 9530.6655, do not apply to withdrawal~~
108.19 ~~management programs licensed under this chapter.~~

108.20 Sec. 107. Minnesota Statutes 2024, section 245G.11, subdivision 1, is amended to read:

108.21 Subdivision 1. **General qualifications.** ~~(a)~~ All staff members who have direct contact
108.22 must be 18 years of age or older.

108.23 Sec. 108. Minnesota Statutes 2024, section 245G.22, subdivision 6, is amended to read:

108.24 Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of
108.25 medication used for the treatment of opioid use disorder to the illicit market, medication
108.26 dispensed to a client for unsupervised use shall be subject to the requirements of this
108.27 subdivision. Any client in an opioid treatment program may receive their individualized
108.28 take-home doses as ordered for days that the clinic is closed for business, on one weekend
108.29 day (e.g., Sunday) and state and federal holidays, no matter their length of time in treatment,
108.30 as allowed under Code of Federal Regulations, title 42, ~~part~~ section 8.12 (i)(1).

109.1 (b) For take-home doses beyond those allowed by paragraph (a), a practitioner must
109.2 review and document the criteria in the Code of Federal Regulations, title 42, ~~part~~ section
109.3 8.12 (i)(2), when determining whether dispensing medication for a client's unsupervised
109.4 use is safe and it is appropriate to implement, increase, or extend the amount of time between
109.5 visits to the program.

109.6 (c) The determination, including the basis of the determination must be documented by
109.7 a practitioner in the client's medical record.

109.8 Sec. 109. Minnesota Statutes 2024, section 253B.02, subdivision 4c, is amended to read:

109.9 Subd. 4c. **County of financial responsibility.** (a) "County of financial responsibility"
109.10 has the meaning specified in chapter 256G. This definition does not require that the person
109.11 qualifies for or receives any other form of financial, medical, or social service assistance
109.12 in addition to the services under this chapter. Disputes about the county of financial
109.13 responsibility shall be submitted for determination to the executive board through the
109.14 commissioner of human services in the manner prescribed in section 256G.09.

109.15 (b) For purposes of proper venue for filing a petition pursuant to section ~~253B.064,~~
109.16 ~~subdivision 1, paragraph (a);~~ 253B.07, subdivision 1, paragraph (a)²; or 253D.07, where
109.17 the designated agency of a county has determined that it is the county of financial
109.18 responsibility, then that county is the county of financial responsibility until a different
109.19 determination is made by the appropriate county agencies or the commissioner pursuant to
109.20 chapter 256G.

109.21 Sec. 110. Minnesota Statutes 2025 Supplement, section 253B.10, subdivision 1, is amended
109.22 to read:

109.23 Subdivision 1. **Administrative requirements.** (a) When a person is committed, the
109.24 court shall issue a warrant or an order committing the patient to the custody of the head of
109.25 the treatment facility, state-operated treatment program, or community-based treatment
109.26 program. The warrant or order shall state that the patient meets the statutory criteria for
109.27 civil commitment.

109.28 (b) The executive board shall prioritize civilly committed patients being admitted from
109.29 jail or a correctional institution or who are referred to a state-operated treatment facility for
109.30 competency attainment or a competency examination under sections 611.40 to 611.59 for
109.31 admission to a medically appropriate state-operated direct care and treatment bed based on
109.32 the decisions of physicians in the executive medical director's office, using a priority

110.1 admissions framework. The framework must account for a range of factors for priority
110.2 admission, including but not limited to:

110.3 (1) the length of time the person has been on a waiting list for admission to a
110.4 state-operated direct care and treatment program since the date of the order under paragraph
110.5 (a), or the date of an order issued under sections 611.40 to 611.59;

110.6 (2) the intensity of the treatment the person needs, based on medical acuity;

110.7 (3) the person's revoked provisional discharge status;

110.8 (4) the person's safety and safety of others in the person's current environment;

110.9 (5) whether the person has access to necessary or court-ordered treatment;

110.10 (6) distinct and articulable negative impacts of an admission delay on the facility referring
110.11 the individual for treatment; and

110.12 (7) any relevant federal prioritization requirements.

110.13 Patients described in this paragraph must be admitted to a state-operated treatment program
110.14 within the timelines specified in section 253B.1005. The commitment must be ordered by
110.15 the court as provided in section 253B.09, subdivision 1, paragraph (d). Patients committed
110.16 to a secure treatment facility or less restrictive setting as ordered by the court under section
110.17 253B.18, subdivisions 1 and 2, must be prioritized for admission to a state-operated treatment
110.18 program using the priority admissions framework in this paragraph.

110.19 (c) Upon the arrival of a patient at the designated treatment facility, state-operated
110.20 treatment program, or community-based treatment program, the head of the facility or
110.21 program shall retain the duplicate of the warrant and endorse receipt upon the original
110.22 warrant or acknowledge receipt of the order. The endorsed receipt or acknowledgment must
110.23 be filed in the court of commitment. After arrival, the patient shall be under the control and
110.24 custody of the head of the facility or program.

110.25 (d) Copies of the petition for commitment, the court's findings of fact and conclusions
110.26 of law, the court order committing the patient, the report of the court examiners, and the
110.27 prepetition report, and any medical and behavioral information available shall be provided
110.28 at the time of admission of a patient to the designated treatment facility or program to which
110.29 the patient is committed. Upon a patient's referral to the executive board for admission
110.30 pursuant to ~~subdivision 1~~, paragraph (b), any inpatient hospital, treatment facility, jail, or
110.31 correctional facility that has provided care or supervision to the patient in the previous two
110.32 years shall, when requested by the treatment facility or executive board, provide copies of
110.33 the patient's medical and behavioral records to the executive board for purposes of

111.1 preadmission planning. This information shall be provided by the head of the treatment
111.2 facility to treatment facility staff in a consistent and timely manner and pursuant to all
111.3 applicable laws.

111.4 (e) Within four business days of determining which state-operated direct care and
111.5 treatment program or programs are appropriate for an individual, the executive medical
111.6 director or a designee must notify the source of the referral and the responsible county
111.7 human services agency, the individual being ordered to direct care and treatment, and the
111.8 district court that issued the order of the determination. The initial notice shall include the
111.9 individual's relative priority status by quartile and contact information for the Direct Care
111.10 and Treatment central preadmissions office. Detailed information on factors impacting the
111.11 individual's priority status is available from the central preadmissions office upon request,
111.12 consistent with section 13.04. Any interested person or the individual being ordered to direct
111.13 care and treatment may provide additional information to or request updated priority status
111.14 about the individual from the executive medical director or a designee while the individual
111.15 is awaiting admission. Priority status information for an individual will only be disclosed
111.16 to interested persons who are legally authorized to receive private information about the
111.17 individual, including the designated agency and the facility to which the individual is
111.18 awaiting admission. Specific updated priority status information may be withheld from the
111.19 individual being ordered to direct care and treatment if, in the judgment of the physicians
111.20 in the executive medical director's office, the information will jeopardize the individual's
111.21 health or well-being.

111.22 (f) For any individual not admitted to a state-operated direct care and treatment program
111.23 within 60 business days after the initial notice under paragraph (e), the executive medical
111.24 director or a designee must provide additional notice to the responsible county human
111.25 services agency, the individual being ordered to direct care and treatment, and the district
111.26 court that issued the order of the determination. The additional notice must include updates
111.27 to the same information provided in the previous notice.

111.28 (g) When an available bed has been identified, the executive medical director or a
111.29 designee must notify the designated agency and the facility where the individual is awaiting
111.30 admission that the individual has been accepted for admission to a particular state-operated
111.31 direct care and treatment program and the earliest possible date the admission can occur.
111.32 The designated agency or facility where the individual is awaiting admission must transport
111.33 the individual to the admitting direct care and treatment program no more than 48 hours
111.34 after the offered admission date.

112.1 Sec. 111. Minnesota Statutes 2025 Supplement, section 254B.0507, subdivision 2, is
112.2 amended to read:

112.3 Subd. 2. **Child care.** (a) Programs that serve parents with their children are eligible for
112.4 an enhanced payment rate if the program:

112.5 (1) provides on-site child care during the hours of treatment activity that:

112.6 (i) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
112.7 9503; or

112.8 (ii) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

112.9 (2) arranges for off-site child care during hours of treatment activity at a facility that is
112.10 licensed under chapter ~~245A~~ 142B as:

112.11 (i) a child care center under Minnesota Rules, chapter 9503; or

112.12 (ii) a family child care home under Minnesota Rules, chapter 9502.

112.13 (b) In order to be eligible for a higher rate under this subdivision, a program that provides
112.14 arrangements for off-site child care must maintain current documentation at the substance
112.15 use disorder facility of the child care provider's current licensure to provide child care
112.16 services.

112.17 Sec. 112. Minnesota Statutes 2024, section 256.017, subdivision 2, is amended to read:

112.18 Subd. 2. **Definitions.** The following terms have the meanings given for purposes of this
112.19 section.

112.20 (a) "Administrative penalty" means an adjustment against the county agency's state and
112.21 federal benefit and federal administrative reimbursement when the commissioner determines
112.22 that the county agency is not in compliance with the policies and procedures established by
112.23 the commissioner.

112.24 (b) "Commissioner" means the commissioner of human services for programs listed in
112.25 subdivision 1, paragraph ~~(b)~~ (a), and the commissioner of children, youth, and families for
112.26 programs listed in subdivision 1, paragraph ~~(e)~~ (b).

112.27 (c) "Quality control case penalty" means an adjustment against the county agency's
112.28 federal administrative reimbursement and state and federal benefit reimbursement when
112.29 the commissioner determines through a quality control review that the county agency has
112.30 made incorrect payments, terminations, or denials of benefits as determined by state quality
112.31 control procedures for the aid to families with dependent children program formerly codified

113.1 in sections 256.72 to 256.87, Minnesota family investment program, SNAP, or medical
113.2 assistance programs, or any other programs for which the commissioner has developed a
113.3 quality control system. Quality control case penalties apply only to agency errors as defined
113.4 by state quality control procedures.

113.5 (d) "Quality control/quality assurance" means a review system of a statewide random
113.6 sample of cases, designed to provide data on program outcomes and the accuracy with which
113.7 state and federal policies are being applied in issuing benefits and as a fiscal audit to ensure
113.8 the accuracy of expenditures. The quality control/quality assurance system is administered
113.9 by the department. For the aid to families with dependent children program formerly codified
113.10 in sections 256.72 to 256.87, SNAP, and medical assistance, the quality control system is
113.11 that required by federal regulation, or those developed by the commissioner.

113.12 Sec. 113. Minnesota Statutes 2024, section 256.043, subdivision 1, is amended to read:

113.13 Subdivision 1. **Establishment.** (a) The opiate epidemic response fund is established in
113.14 the state treasury. The commissioner of management and budget shall establish within the
113.15 opiate epidemic response fund two accounts: (1) a registration and license fee account; and
113.16 (2) a settlement account. Beginning in fiscal year 2021, for each fiscal year, the fund shall
113.17 be administered according to this section.

113.18 (b) The commissioner of management and budget shall deposit into the registration and
113.19 license fee account the registration fee assessed by the Board of Pharmacy under section
113.20 151.066 and the license fees identified in section 151.065, subdivision 7, ~~paragraphs~~
113.21 paragraph (b) and (e).

113.22 (c) The commissioner of management and budget shall deposit into the settlement account
113.23 any money received by the state resulting from a settlement agreement or an assurance of
113.24 discontinuance entered into by the attorney general of the state, or a court order in litigation
113.25 brought by the attorney general of the state, on behalf of the state or a state agency, related
113.26 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of opioids
113.27 in this state or other alleged illegal actions that contributed to the excessive use of opioids,
113.28 pursuant to section 16A.151, subdivision 2, paragraph (f).

113.29 Sec. 114. Minnesota Statutes 2024, section 256.9657, subdivision 1a, is amended to read:

113.30 Subd. 1a. **Waiver request.** The commissioner shall request a waiver from the secretary
113.31 of health and human services to: (1) exclude from the surcharge under subdivision 1 a
113.32 nursing home that provides all services free of charge; (2) make a pro rata reduction in the
113.33 surcharge paid by a nursing home that provides a portion of its services free of charge; and

114.1 (3) limit the hospital surcharge to acute care hospitals only. If a waiver is approved under
114.2 this subdivision, the commissioner shall adjust the nursing home surcharge accordingly.
114.3 ~~Any waivers granted by the federal government shall be effective on or after October 1,~~
114.4 ~~1992.~~

114.5 Sec. 115. Minnesota Statutes 2024, section 256.9657, subdivision 3, is amended to read:

114.6 Subd. 3. **Surcharge on HMOs and community integrated service networks.** (a)

114.7 ~~Effective October 1, 1992,~~ Each health maintenance organization with a certificate of
114.8 authority issued by the commissioner of health under chapter 62D and each community
114.9 integrated service network licensed by the commissioner under chapter 62N shall pay to
114.10 the commissioner of human services a surcharge equal to six-tenths of one percent of the
114.11 total premium revenues of the health maintenance organization or community integrated
114.12 service network as reported to the commissioner of health according to the schedule in
114.13 subdivision 4.

114.14 (b) For purposes of this subdivision, total premium revenue means:

114.15 (1) premium revenue recognized on a prepaid basis from individuals and groups for
114.16 provision of a specified range of health services over a defined period of time which is
114.17 normally one month, excluding premiums paid to a health maintenance organization or
114.18 community integrated service network from the Federal Employees Health Benefit Program;

114.19 (2) premiums from Medicare wraparound subscribers for health benefits which
114.20 supplement Medicare coverage;

114.21 (3) Medicare revenue, as a result of an arrangement between a health maintenance
114.22 organization or a community integrated service network and the Centers for Medicare and
114.23 Medicaid Services of the federal Department of Health and Human Services, for services
114.24 to a Medicare beneficiary, excluding Medicare revenue that states are prohibited from taxing
114.25 under sections 1854, 1860D-12, and 1876 of title XVIII of the federal Social Security Act,
114.26 codified as United States Code, title 42, sections 1395mm, 1395w-112, and 1395w-24,
114.27 respectively, as they may be amended from time to time; and

114.28 (4) medical assistance revenue, as a result of an arrangement between a health
114.29 maintenance organization or community integrated service network and a Medicaid state
114.30 agency, for services to a medical assistance beneficiary.

114.31 If advance payments are made under clause (1) or (2) to the health maintenance
114.32 organization or community integrated service network for more than one reporting period,
114.33 the portion of the payment that has not yet been earned must be treated as a liability.

115.1 (c) When a health maintenance organization or community integrated service network
115.2 merges or consolidates with or is acquired by another health maintenance organization or
115.3 community integrated service network, the surviving corporation or the new corporation
115.4 shall be responsible for the annual surcharge originally imposed on each of the entities or
115.5 corporations subject to the merger, consolidation, or acquisition, regardless of whether one
115.6 of the entities or corporations does not retain a certificate of authority under chapter 62D
115.7 or a license under chapter 62N.

115.8 (d) Effective June 15 of each year, the surviving corporation's or the new corporation's
115.9 surcharge shall be based on the revenues earned in the previous calendar year by all of the
115.10 entities or corporations subject to the merger, consolidation, or acquisition regardless of
115.11 whether one of the entities or corporations does not retain a certificate of authority under
115.12 chapter 62D or a license under chapter 62N until the total premium revenues of the surviving
115.13 corporation include the total premium revenues of all the merged entities as reported to the
115.14 commissioner of health.

115.15 (e) When a health maintenance organization or community integrated service network,
115.16 which is subject to liability for the surcharge under this chapter, transfers, assigns, sells,
115.17 leases, or disposes of all or substantially all of its property or assets, liability for the surcharge
115.18 imposed by this chapter is imposed on the transferee, assignee, or buyer of the health
115.19 maintenance organization or community integrated service network.

115.20 (f) In the event a health maintenance organization or community integrated service
115.21 network converts its licensure to a different type of entity subject to liability for the surcharge
115.22 under this chapter, but survives in the same or substantially similar form, the surviving
115.23 entity remains liable for the surcharge regardless of whether one of the entities or corporations
115.24 does not retain a certificate of authority under chapter 62D or a license under chapter 62N.

115.25 (g) The surcharge assessed to a health maintenance organization or community integrated
115.26 service network ends when the entity ceases providing services for premiums and the
115.27 cessation is not connected with a merger, consolidation, acquisition, or conversion.

115.28 Sec. 116. Minnesota Statutes 2024, section 256.975, subdivision 7d, is amended to read:

115.29 Subd. 7d. **Payment for preadmission screening.** (a) The Department of Human Services
115.30 shall provide funding for preadmission screening to the Minnesota Board on Aging to cover
115.31 screener salaries and expenses to provide the services described in subdivisions 7a to 7c.
115.32 The Minnesota Board on Aging shall:

116.1 (1) employ, or contract with other agencies to employ, within the limits of available
116.2 funding, sufficient personnel to provide preadmission screening and level of care
116.3 determination services; and

116.4 (2) seek to maximize federal funding for the service as provided under section 256.01,
116.5 subdivision 2, paragraph ~~(aa)~~ (z).

116.6 (b) The Department of Human Services shall provide funding for preadmission screening
116.7 follow-up to the Disability Hub for the under-60 population to cover options counseling
116.8 salaries and expenses to provide the services described in subdivisions 7a to 7c. The
116.9 Disability Hub shall:

116.10 (1) employ, or contract with other agencies to employ, within the limits of available
116.11 funding, sufficient personnel to provide preadmission screening follow-up services; and

116.12 (2) seek to maximize federal funding for the service as provided under section 256.01,
116.13 subdivision 2, paragraph ~~(aa)~~ (z).

116.14 Sec. 117. Minnesota Statutes 2024, section 256.975, subdivision 9, is amended to read:

116.15 Subd. 9. **Prescription drug assistance.** The Minnesota Board on Aging shall establish
116.16 and administer a prescription drug assistance program to assist individuals in accessing
116.17 programs offered by pharmaceutical manufacturers that provide free or discounted
116.18 prescription drugs or provide coverage for prescription drugs. The board shall use computer
116.19 software programs to:

116.20 (1) list eligibility requirements for pharmaceutical assistance programs offered by
116.21 manufacturers;

116.22 (2) list drugs that are included in a supplemental rebate contract between the
116.23 commissioner and a pharmaceutical manufacturer under section 256.01, subdivision 2,
116.24 paragraph ~~(u)~~ (t); and

116.25 (3) link individuals with the pharmaceutical assistance programs most appropriate for
116.26 the individual. The board shall make information on the prescription drug assistance program
116.27 available to interested individuals and health care providers and shall coordinate the program
116.28 with the statewide information and assistance service provided through the Senior LinkAge
116.29 Line under subdivision 7.

117.1 Sec. 118. Minnesota Statutes 2024, section 256B.04, subdivision 15, is amended to read:

117.2 Subd. 15. **Utilization review.** (a) The commissioner must establish on a statewide basis
117.3 a new program to safeguard against unnecessary or inappropriate use of medical assistance
117.4 services, against excess payments, against unnecessary or inappropriate hospital admissions
117.5 or lengths of stay, and against underutilization of services in prepaid health plans, long-term
117.6 care facilities, or any health care delivery system subject to fixed rate reimbursement. In
117.7 implementing the program, the state agency shall utilize both prepayment and postpayment
117.8 review systems to determine if utilization is reasonable and necessary. The determination
117.9 of whether services are reasonable and necessary shall be made by the commissioner in
117.10 consultation with a professional services advisory group or health care consultant appointed
117.11 by the commissioner.

117.12 (b) Contracts entered into for purposes of meeting the requirements of this subdivision
117.13 shall not be subject to the set-aside provisions of chapter 16C.

117.14 (c) A recipient aggrieved by the commissioner's termination of services or denial of
117.15 future services may appeal pursuant to section 256.045. Unless otherwise provided by law,
117.16 a vendor aggrieved by the commissioner's determination that services provided were not
117.17 reasonable or necessary may appeal pursuant to the contested case procedures of chapter
117.18 14. To appeal, the vendor shall notify the commissioner in writing within 30 days of receiving
117.19 the commissioner's notice. The appeal request shall specify each disputed item, the reason
117.20 for the dispute, an estimate of the dollar amount involved for each disputed item, the
117.21 computation that the vendor believes is correct, the authority in statute or rule upon which
117.22 the vendor relies for each disputed item, the name and address of the person or firm with
117.23 whom contacts may be made regarding the appeal, and other information required by the
117.24 commissioner.

117.25 (d) The commissioner may select providers to provide case management services to
117.26 recipients who use health care services inappropriately or to recipients who are eligible for
117.27 other managed care projects. The providers shall be selected based upon criteria that may
117.28 include a comparison with a peer group of providers related to the quality, quantity, or cost
117.29 of health care services delivered or a review of sanctions previously imposed by health care
117.30 services programs or the provider's professional licensing board.

117.31 Sec. 119. Minnesota Statutes 2024, section 256B.051, subdivision 7, is amended to read:

117.32 Subd. 7. **Housing support supplemental service rates.** Supplemental service rates for
117.33 individuals in settings according to sections ~~144D.025~~, 256I.04, subdivision 3, paragraph
117.34 (a), clause (3), and 256I.05, subdivision 1g, shall be reduced by one-half over a two-year

118.1 period. This reduction only applies to supplemental service rates for individuals eligible for
118.2 housing stabilization services under this section.

118.3 Sec. 120. Minnesota Statutes 2025 Supplement, section 256B.055, subdivision 12, is
118.4 amended to read:

118.5 Subd. 12. **Children with disabilities.** (a) A person is eligible for medical assistance if
118.6 the person is under age 19 and qualifies as a disabled individual under United States Code,
118.7 title 42, section 1382c(a), and would be eligible for medical assistance under the state plan
118.8 if residing in a medical institution, and the child requires a level of care provided in a hospital,
118.9 nursing facility, or intermediate care facility for persons with developmental disabilities,
118.10 for whom home care is appropriate, provided that the cost to medical assistance under this
118.11 section is not more than the amount that medical assistance would pay for if the child resides
118.12 in an institution. After the child is determined to be eligible under this section, the
118.13 commissioner shall review the child's disability under United States Code, title 42, section
118.14 1382c(a) and level of care defined under this section no more often than annually and may
118.15 elect, based on the recommendation of health care professionals under contract with the
118.16 state medical review team, to extend the review of disability and level of care up to a
118.17 maximum of four years. The commissioner's decision on the frequency of continuing review
118.18 of disability and level of care is not subject to administrative appeal under section 256.045.
118.19 The county agency shall send a notice of disability review to the enrollee six months prior
118.20 to the date the recertification of disability is due. Nothing in this subdivision shall be
118.21 construed as affecting other redeterminations of medical assistance eligibility under this
118.22 chapter and annual cost-effective reviews under this section.

118.23 (b) For purposes of this subdivision, "hospital" means an institution as defined in section
118.24 144.696, subdivision 3, or 144.55, subdivision 3, ~~or Minnesota Rules, part 4640.3600,~~ and
118.25 licensed pursuant to sections 144.50 to 144.58. For purposes of this subdivision, a child
118.26 requires a level of care provided in a hospital if the child is determined by the commissioner
118.27 to need an extensive array of health services, including mental health services, for an
118.28 undetermined period of time, whose health condition requires frequent monitoring and
118.29 treatment by a health care professional or by a person supervised by a health care
118.30 professional, who would reside in a hospital or require frequent hospitalization if these
118.31 services were not provided, and the daily care needs are more complex than a nursing facility
118.32 level of care.

118.33 A child with serious mental illness requires a level of care provided in a hospital if the
118.34 commissioner determines that the individual requires 24-hour supervision because the person

119.1 exhibits recurrent or frequent suicidal or homicidal ideation or behavior, recurrent or frequent
119.2 psychosomatic disorders or somatopsychic disorders that may become life threatening,
119.3 recurrent or frequent severe socially unacceptable behavior associated with psychiatric
119.4 disorder, ongoing and chronic psychosis or severe, ongoing and chronic developmental
119.5 problems requiring continuous skilled observation, or severe disabling symptoms for which
119.6 office-centered outpatient treatment is not adequate, and which overall severely impact the
119.7 individual's ability to function.

119.8 (c) For purposes of this subdivision, "nursing facility" means a facility which provides
119.9 nursing care as defined in section 144A.01, subdivision 5, licensed pursuant to sections
119.10 144A.02 to 144A.10, which is appropriate if a person is in active restorative treatment; is
119.11 in need of special treatments provided or supervised by a licensed nurse; or has unpredictable
119.12 episodes of active disease processes requiring immediate judgment by a licensed nurse. For
119.13 purposes of this subdivision, a child requires the level of care provided in a nursing facility
119.14 if the child is determined by the commissioner to meet the requirements of the preadmission
119.15 screening assessment document under section 256B.0911, adjusted to address age-appropriate
119.16 standards for children age 18 and under.

119.17 (d) For purposes of this subdivision, "intermediate care facility for persons with
119.18 developmental disabilities" or "ICF/DD" means a program licensed to provide services to
119.19 persons with developmental disabilities under section 252.28, and chapter 245A, and a
119.20 physical plant licensed as a supervised living facility under chapter 144, which together are
119.21 certified by the Minnesota Department of Health as meeting the standards in Code of Federal
119.22 Regulations, title 42, part 483, for an intermediate care facility which provides services for
119.23 persons with developmental disabilities who require 24-hour supervision and active treatment
119.24 for medical, behavioral, or habilitation needs. For purposes of this subdivision, a child
119.25 requires a level of care provided in an ICF/DD if the commissioner finds that the child has
119.26 a developmental disability in accordance with section 256B.092, is in need of a 24-hour
119.27 plan of care and active treatment similar to persons with developmental disabilities, and
119.28 there is a reasonable indication that the child will need ICF/DD services.

119.29 (e) For purposes of this subdivision, a person requires the level of care provided in a
119.30 nursing facility if the person requires 24-hour monitoring or supervision and a plan of mental
119.31 health treatment because of specific symptoms or functional impairments associated with
119.32 a serious mental illness or disorder diagnosis, which meet severity criteria for mental health
119.33 established by the commissioner and published in March 1997 as the Minnesota Mental
119.34 Health Level of Care for Children and Adolescents with Severe Emotional Disorders.

120.1 (f) The determination of the level of care needed by the child shall be made by the
120.2 commissioner based on information supplied to the commissioner by (1) the parent or
120.3 guardian, (2) the child's physician or physicians, advanced practice registered nurse or
120.4 advanced practice registered nurses, or physician assistant or physician assistants, and (3)
120.5 other professionals as requested by the commissioner. The commissioner shall establish a
120.6 screening team to conduct the level of care determinations according to this subdivision.

120.7 (g) If a child meets the conditions in paragraph (b), (c), (d), or (e), the commissioner
120.8 must assess the case to determine whether:

120.9 (1) the child qualifies as a disabled individual under United States Code, title 42, section
120.10 1382c(a), and would be eligible for medical assistance if residing in a medical institution;
120.11 and

120.12 (2) the cost of medical assistance services for the child, if eligible under this subdivision,
120.13 would not be more than the cost to medical assistance if the child resides in a medical
120.14 institution to be determined as follows:

120.15 (i) for a child who requires a level of care provided in an ICF/DD, the cost of care for
120.16 the child in an institution shall be determined using the average payment rate established
120.17 for the regional treatment centers that are certified as ICF's/DD;

120.18 (ii) for a child who requires a level of care provided in an inpatient hospital setting
120.19 according to paragraph (b), cost-effectiveness shall be determined according to Minnesota
120.20 Rules, part 9505.3520, items F and G; and

120.21 (iii) for a child who requires a level of care provided in a nursing facility according to
120.22 paragraph (c) or (e), cost-effectiveness shall be determined according to Minnesota Rules,
120.23 part 9505.3040, except that the nursing facility average rate shall be adjusted to reflect rates
120.24 which would be paid for children under age 16. The commissioner may authorize an amount
120.25 up to the amount medical assistance would pay for a child referred to the commissioner by
120.26 the preadmission screening team under section 256B.0911.

120.27 Sec. 121. Minnesota Statutes 2025 Supplement, section 256B.0615, subdivision 1, is
120.28 amended to read:

120.29 Subdivision 1. **Scope.** Medical assistance covers mental health certified peer specialist
120.30 services, ~~as established in subdivision 2,~~ if provided to recipients who are eligible for services
120.31 under sections 256B.0622, 256B.0623, 256B.0624, and 256B.0632 and are provided by a
120.32 mental health certified peer specialist who has completed the training under subdivision 5
120.33 and is qualified according to section 245I.04, subdivision 10.

121.1 Sec. 122. Minnesota Statutes 2025 Supplement, section 256B.0616, subdivision 1, is
121.2 amended to read:

121.3 Subdivision 1. **Scope.** Medical assistance covers mental health certified family peer
121.4 specialists services, ~~as established in subdivision 2,~~ subject to federal approval, if provided
121.5 to recipients who have a mental illness or serious mental illness under chapter 245, and are
121.6 provided by a mental health certified family peer specialist who has completed the training
121.7 under subdivision 5 and is qualified according to section 245I.04, subdivision 12. A family
121.8 peer specialist cannot provide services to the peer specialist's family.

121.9 Sec. 123. Minnesota Statutes 2024, section 256B.0624, subdivision 4, is amended to read:

121.10 Subd. 4. **Provider entity standards.** (a) A mobile crisis provider must be:

121.11 (1) a county board operated entity;

121.12 (2) an Indian health services facility or facility owned and operated by a tribe or Tribal
121.13 organization operating under United States Code, title 325, section 450f; or

121.14 (3) a provider entity that is under contract with the county board in the county where
121.15 the potential crisis or emergency is occurring. To provide services under this section, the
121.16 provider entity must directly provide the services; or if services are subcontracted, the
121.17 provider entity must maintain responsibility for services and billing.

121.18 (b) A mobile crisis provider must meet the following standards:

121.19 (1) ensure that crisis screenings, crisis assessments, and crisis intervention services are
121.20 available to a recipient 24 hours a day, seven days a week;

121.21 (2) be able to respond to a call for services in a designated service area or according to
121.22 a written agreement with the local mental health authority for an adjacent area;

121.23 (3) have at least one mental health professional on staff at all times and at least one
121.24 additional staff member capable of leading a crisis response in the community; and

121.25 (4) provide the commissioner with information about the number of requests for service,
121.26 the number of people that the provider serves face-to-face, outcomes, and the protocols that
121.27 the provider uses when deciding when to respond in the community.

121.28 (c) A provider entity that provides crisis stabilization services in a residential setting
121.29 under subdivision 7 is not required to meet the requirements of paragraphs (a) and (b), but
121.30 must meet all other requirements of this subdivision.

122.1 (d) A crisis services provider must have the capacity to meet and carry out the standards
122.2 in section 245I.011, subdivision 5, and the following standards:

122.3 (1) ensures that staff persons provide support for a recipient's family and natural supports,
122.4 by enabling the recipient's family and natural supports to observe and participate in the
122.5 recipient's treatment, assessments, and planning services;

122.6 (2) has adequate administrative ability to ensure availability of services;

122.7 (3) is able to ensure that staff providing these services are skilled in the delivery of
122.8 mental health crisis response services to recipients;

122.9 (4) is able to ensure that staff are implementing culturally specific treatment identified
122.10 in the crisis treatment plan that is meaningful and appropriate as determined by the recipient's
122.11 culture, beliefs, values, and language;

122.12 (5) is able to ensure enough flexibility to respond to the changing intervention and care
122.13 needs of a recipient as identified by the recipient or family member during the service
122.14 partnership between the recipient and providers;

122.15 (6) is able to ensure that staff have the communication tools and procedures to
122.16 communicate and consult promptly about crisis assessment and interventions as services
122.17 occur;

122.18 (7) is able to coordinate these services with county emergency services, community
122.19 hospitals, ambulance, transportation services, social services, law enforcement, engagement
122.20 services, and mental health crisis services through regularly scheduled interagency meetings;

122.21 (8) is able to ensure that services are coordinated with other behavioral health service
122.22 providers, county mental health authorities, or federally recognized American Indian
122.23 authorities and others as necessary, with the consent of the recipient or parent or guardian.
122.24 Services must also be coordinated with the recipient's case manager if the recipient is
122.25 receiving case management services;

122.26 (9) is able to ensure that crisis intervention services are provided in a manner consistent
122.27 with sections 245.461 to 245.486 and 245.487 to 245.4879;

122.28 (10) is able to coordinate detoxification services for the recipient according to Minnesota
122.29 Rules, parts ~~9530.6605 to 9530.6655~~ 9530.6510 to 9530.6590, or withdrawal management
122.30 according to chapter 245F;

122.31 (11) is able to establish and maintain a quality assurance and evaluation plan to evaluate
122.32 the outcomes of services and recipient satisfaction; and

123.1 (12) is an enrolled medical assistance provider.

123.2 Sec. 124. Minnesota Statutes 2024, section 256B.0658, is amended to read:

123.3 **256B.0658 HOUSING ACCESS GRANTS.**

123.4 The commissioner of human services shall award through a competitive process contracts
 123.5 for grants to public and private agencies to support and assist individuals with a disability
 123.6 as defined in section 256B.051, subdivision 2, paragraph ~~(e)~~ (g), to access housing. Grants
 123.7 may be awarded to agencies that may include, but are not limited to, the following supports:
 123.8 assessment to ensure suitability of housing, accompanying an individual to look at housing,
 123.9 filling out applications and rental agreements, meeting with landlords, helping with Section
 123.10 8 or other program applications, helping to develop a budget, obtaining furniture and
 123.11 household goods, if necessary, and assisting with any problems that may arise with housing.

123.12 Sec. 125. Minnesota Statutes 2024, section 256B.0911, subdivision 29, is amended to
 123.13 read:

123.14 Subd. 29. **Support planning.** (a) The certified assessor and the individual responsible
 123.15 for developing the support plan must complete the assessment summary and the support
 123.16 plan no more than 60 calendar days after the assessment visit.

123.17 (b) The person or the person's legal representative must be provided with a written
 123.18 assessment summary within the timelines established by the commissioner, regardless of
 123.19 whether the person is eligible for Minnesota health care programs.

123.20 (c) For a person being assessed for elderly waiver services under chapter 256S, a provider
 123.21 who submitted information under subdivision 19, paragraph (c), must receive the final
 123.22 written support plan when available.

123.23 (d) The written support plan must include:

123.24 (1) a summary of assessed needs as defined in subdivision 17, paragraphs ~~(d)~~ (e) and
 123.25 ~~(e)~~ (f);

123.26 (2) the individual's options and choices to meet identified needs, including all available
 123.27 options for:

123.28 (i) case management services and providers;

123.29 (ii) employment services, settings, and providers;

123.30 (iii) living arrangements;

124.1 (iv) self-directed services and supports, including self-directed budget options; and

124.2 (v) service provided in a non-disability-specific setting;

124.3 (3) identification of health and safety risks and how those risks will be addressed,

124.4 including personal risk management strategies;

124.5 (4) referral information; and

124.6 (5) informal caregiver supports, if applicable.

124.7 (e) For a person determined eligible for state plan home care under subdivision 11, clause

124.8 (7), the person or person's legal representative must also receive a copy of the home care

124.9 service plan developed by the certified assessor.

124.10 Sec. 126. Minnesota Statutes 2025 Supplement, section 256B.0924, subdivision 6, is

124.11 amended to read:

124.12 **Subd. 6. Payment for targeted case management.** (a) Medical assistance and

124.13 MinnesotaCare payment for targeted case management shall be made on a monthly basis.

124.14 In order to receive payment for an eligible adult, the provider must document at least one

124.15 contact per month and not more than two consecutive months without a face-to-face contact

124.16 either in person or by interactive video that meets the requirements in section 256B.0625,

124.17 subdivision 20b, with the adult or the adult's legal representative, family, primary caregiver,

124.18 or other relevant persons identified as necessary to the development or implementation of

124.19 the goals of the personal service plan.

124.20 (b) Except as provided under paragraph (m), payment for targeted case management

124.21 provided by county staff under this subdivision shall be based on the monthly rate

124.22 methodology under section 256B.094, subdivision 6, paragraph (b), calculated as one

124.23 combined average rate together with adult mental health case management under section

124.24 256B.0625, subdivision 20, ~~except for calendar year 2002. In calendar year 2002, the rate~~

124.25 ~~for case management under this section shall be the same as the rate for adult mental health~~

124.26 ~~case management in effect as of December 31, 2001.~~ Billing and payment must identify the

124.27 recipient's primary population group to allow tracking of revenues.

124.28 (c) Payment for targeted case management provided by county-contracted vendors shall

124.29 be based on a monthly rate calculated in accordance with section 256B.076, subdivision 2.

124.30 The rate must not exceed the rate charged by the vendor for the same service to other payers.

124.31 If the service is provided by a team of contracted vendors, the team shall determine how to

124.32 distribute the rate among its members. No reimbursement received by contracted vendors

125.1 shall be returned to the county, except to reimburse the county for advance funding provided
125.2 by the county to the vendor.

125.3 (d) If the service is provided by a team that includes contracted vendors and county staff,
125.4 the costs for county staff participation on the team shall be included in the rate for
125.5 county-provided services. In this case, the contracted vendor and the county may each
125.6 receive separate payment for services provided by each entity in the same month. In order
125.7 to prevent duplication of services, the county must document, in the recipient's file, the need
125.8 for team targeted case management and a description of the different roles of the team
125.9 members.

125.10 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
125.11 targeted case management shall be provided by the recipient's county of responsibility, as
125.12 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
125.13 used to match other federal funds.

125.14 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider
125.15 that does not meet the reporting or other requirements of this section. The county of
125.16 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal
125.17 disallowances. The county may share this responsibility with its contracted vendors.

125.18 (g) The commissioner shall set aside five percent of the federal funds received under
125.19 this section for use in reimbursing the state for costs of developing and implementing this
125.20 section.

125.21 (h) Payments to counties for targeted case management expenditures under this section
125.22 shall only be made from federal earnings from services provided under this section. Payments
125.23 to contracted vendors shall include both the federal earnings and the county share.

125.24 (i) Notwithstanding section 256B.041, county payments for the cost of case management
125.25 services provided by county staff shall not be made to the commissioner of management
125.26 and budget. For the purposes of targeted case management services provided by county
125.27 staff under this section, the centralized disbursement of payments to counties under section
125.28 256B.041 consists only of federal earnings from services provided under this section.

125.29 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
125.30 and the recipient's institutional care is paid by medical assistance, payment for targeted case
125.31 management services under this subdivision is limited to the lesser of:

125.32 (1) the last 180 days of the recipient's residency in that facility; or

125.33 (2) the limits and conditions which apply to federal Medicaid funding for this service.

126.1 (k) Payment for targeted case management services under this subdivision shall not
126.2 duplicate payments made under other program authorities for the same purpose.

126.3 (l) Any growth in targeted case management services and cost increases under this
126.4 section shall be the responsibility of the counties.

126.5 (m) The commissioner may make payments for Tribes according to section 256B.0625,
126.6 subdivision 34, or other relevant federally approved rate setting methodologies for vulnerable
126.7 adult and developmental disability targeted case management provided by Indian health
126.8 services and facilities operated by a Tribe or Tribal organization.

126.9 Sec. 127. Minnesota Statutes 2025 Supplement, section 256B.0943, subdivision 9, is
126.10 amended to read:

126.11 Subd. 9. **Service delivery criteria.** (a) In delivering services under this section, a certified
126.12 provider entity must ensure that:

126.13 (1) the provider's caseload size should reasonably enable the provider to play an active
126.14 role in service planning, monitoring, and delivering services to meet the client's and client's
126.15 family's needs, as specified in each client's individual treatment plan;

126.16 (2) site-based programs, including day treatment programs, provide staffing and facilities
126.17 to ensure the client's health, safety, and protection of rights, and that the programs are able
126.18 to implement each client's individual treatment plan; and

126.19 (3) a day treatment program is provided to a group of clients by a team under the treatment
126.20 supervision of a mental health professional. The day treatment program must be provided
126.21 in and by: (i) an outpatient hospital accredited by the Joint Commission on Accreditation
126.22 of Health Organizations and licensed under sections 144.50 to 144.55; (ii) a community
126.23 mental health center under section 245.62; or (iii) an entity that is certified under subdivision
126.24 4 to operate a program that meets the requirements of section 245.4884, subdivision 2, and
126.25 Minnesota Rules, parts 9505.0170 to 9505.0475. The day treatment program must stabilize
126.26 the client's mental health status while developing and improving the client's independent
126.27 living and socialization skills. The goal of the day treatment program must be to reduce or
126.28 relieve the effects of mental illness and provide training to enable the client to live in the
126.29 community. The remainder of the structured treatment program may include patient and/or
126.30 family or group psychotherapy, and individual or group skills training, if included in the
126.31 client's individual treatment plan. Day treatment programs are not part of inpatient or
126.32 residential treatment services. When a day treatment group that meets the minimum group
126.33 size requirement temporarily falls below the minimum group size because of a member's

127.1 temporary absence, medical assistance covers a group session conducted for the group
127.2 members in attendance. A day treatment program may provide fewer than the minimally
127.3 required hours for a particular child during a billing period in which the child is transitioning
127.4 into, or out of, the program.

127.5 (b) To be eligible for medical assistance payment, a provider entity must deliver the
127.6 service components of children's therapeutic services and supports in compliance with the
127.7 following requirements:

127.8 (1) psychotherapy to address the child's underlying mental health disorder must be
127.9 documented as part of the child's ongoing treatment. A provider must deliver or arrange for
127.10 medically necessary psychotherapy unless the child's parent or caregiver chooses not to
127.11 receive it or the provider determines that psychotherapy is no longer medically necessary.
127.12 When a provider determines that psychotherapy is no longer medically necessary, the
127.13 provider must update required documentation, including but not limited to the individual
127.14 treatment plan, the child's medical record, or other authorizations, to include the
127.15 determination. When a provider determines that a child needs psychotherapy but
127.16 psychotherapy cannot be delivered due to a shortage of licensed mental health professionals
127.17 in the child's community, the provider must document the lack of access in the child's
127.18 medical record;

127.19 (2) individual, family, or group skills training is subject to the following requirements:

127.20 (i) a mental health professional, clinical trainee, or mental health practitioner shall provide
127.21 skills training;

127.22 (ii) skills training delivered to a child or the child's family must be targeted to the specific
127.23 deficits or maladaptations of the child's mental health disorder and must be prescribed in
127.24 the child's individual treatment plan;

127.25 (iii) group skills training may be provided to multiple recipients who, because of the
127.26 nature of their emotional, behavioral, or social dysfunction, can derive mutual benefit from
127.27 interaction in a group setting, which must be staffed as follows:

127.28 (A) one mental health professional, clinical trainee, or mental health practitioner must
127.29 work with a group of three to eight clients; or

127.30 (B) any combination of two mental health professionals, clinical trainees, or mental
127.31 health practitioners must work with a group of nine to 12 clients;

128.1 (iv) a mental health professional, clinical trainee, or mental health practitioner must have
128.2 taught the psychosocial skill before a mental health behavioral aide may practice that skill
128.3 with the client; and

128.4 (v) for group skills training, when a skills group that meets the minimum group size
128.5 requirement temporarily falls below the minimum group size because of a group member's
128.6 temporary absence, the provider may conduct the session for the group members in
128.7 attendance;

128.8 (3) crisis planning to a child and family must include development of a written plan that
128.9 anticipates the particular factors specific to the child that may precipitate a psychiatric crisis
128.10 for the child in the near future. The written plan must document actions that the family
128.11 should be prepared to take to resolve or stabilize a crisis, such as advance arrangements for
128.12 direct intervention and support services to the child and the child's family. Crisis planning
128.13 must include preparing resources designed to address abrupt or substantial changes in the
128.14 functioning of the child or the child's family when sudden change in behavior or a loss of
128.15 usual coping mechanisms is observed, or the child begins to present a danger to self or
128.16 others;

128.17 (4) mental health behavioral aide services must be medically necessary treatment services,
128.18 identified in the child's individual treatment plan. To be eligible for medical assistance
128.19 payment, mental health behavioral aide services must be delivered to a child who has been
128.20 diagnosed with a mental illness, as provided in subdivision 1, paragraph ~~(a)~~ (b). The mental
128.21 health behavioral aide must document the delivery of services in written progress notes.
128.22 Progress notes must reflect implementation of the treatment strategies, as performed by the
128.23 mental health behavioral aide and the child's responses to the treatment strategies; and

128.24 (5) mental health service plan development must be performed in consultation with the
128.25 child's family and, when appropriate, with other key participants in the child's life by the
128.26 child's treating mental health professional or clinical trainee or by a mental health practitioner
128.27 and approved by the treating mental health professional. Treatment plan drafting consists
128.28 of development, review, and revision by face-to-face or electronic communication. The
128.29 provider must document events, including the time spent with the family and other key
128.30 participants in the child's life to approve the individual treatment plan. Medical assistance
128.31 covers service plan development before completion of the child's individual treatment plan.
128.32 Service plan development is covered only if a treatment plan is completed for the child. If
128.33 upon review it is determined that a treatment plan was not completed for the child, the
128.34 commissioner shall recover the payment for the service plan development.

129.1 Sec. 128. Minnesota Statutes 2024, section 256B.15, subdivision 1h, is amended to read:

129.2 Subd. 1h. **Estates of specific persons receiving medical assistance.** (a) For purposes
129.3 of this section, paragraphs (b) to (j) apply if a person received medical assistance for which
129.4 a claim may be filed under this section and died single, or the surviving spouse of the couple
129.5 and was not survived by any of the persons described in subdivisions 3 and 4.

129.6 (b) Notwithstanding any law or rule to the contrary, the person's life estate or joint
129.7 tenancy interest in real property not subject to a medical assistance lien under sections
129.8 514.980 to 514.985 on the date of the person's death shall not end upon the person's death
129.9 and shall continue as provided in this subdivision. The life estate in the person's estate shall
129.10 be that portion of the interest in the real property subject to the life estate that is equal to
129.11 the life estate percentage factor for the life estate as listed in the Life Estate Mortality Table
129.12 of the health care program's manual for a person who was the age of the medical assistance
129.13 recipient on the date of the person's death. The joint tenancy interest in real property in the
129.14 estate shall be equal to the fractional interest the person would have owned in the jointly
129.15 held interest in the property had they and the other owners held title to the property as tenants
129.16 in common on the date the person died.

129.17 (c) The court upon its own motion, or upon motion by the personal representative or
129.18 any interested party, may enter an order directing the remainderpersons or surviving joint
129.19 tenants and their spouses, if any, to sign all documents, take all actions, and otherwise fully
129.20 cooperate with the personal representative and the court to liquidate the decedent's life estate
129.21 or joint tenancy interests in the estate and deliver the cash or the proceeds of those interests
129.22 to the personal representative and provide for any legal and equitable sanctions as the court
129.23 deems appropriate to enforce and carry out the order, including an award of reasonable
129.24 attorney fees.

129.25 (d) The personal representative may make, execute, and deliver any conveyances or
129.26 other documents necessary to convey the decedent's life estate or joint tenancy interest in
129.27 the estate that are necessary to liquidate and reduce to cash the decedent's interest or for
129.28 any other purposes.

129.29 (e) Subject to administration, all costs, including reasonable attorney fees, directly and
129.30 immediately related to liquidating the decedent's life estate or joint tenancy interest in the
129.31 decedent's estate, shall be paid from the gross proceeds of the liquidation allocable to the
129.32 decedent's interest and the net proceeds shall be turned over to the personal representative
129.33 and applied to payment of the claim presented under this section.

130.1 (f) The personal representative shall bring a motion in the district court in which the
130.2 estate is being probated to compel the remainderpersons or surviving joint tenants to account
130.3 for and deliver to the personal representative all or any part of the proceeds of any sale,
130.4 mortgage, transfer, conveyance, or any disposition of real property allocable to the decedent's
130.5 life estate or joint tenancy interest in the decedent's estate, and do everything necessary to
130.6 liquidate and reduce to cash the decedent's interest and turn the proceeds of the sale or other
130.7 disposition over to the personal representative. The court may grant any legal or equitable
130.8 relief including, but not limited to, ordering a partition of real estate under chapter ~~558~~ 558A
130.9 necessary to make the value of the decedent's life estate or joint tenancy interest available
130.10 to the estate for payment of a claim under this section.

130.11 (g) Subject to administration, the personal representative shall use all of the cash or
130.12 proceeds of interests to pay an allowable claim under this section. The remainderpersons
130.13 or surviving joint tenants and their spouses, if any, may enter into a written agreement with
130.14 the personal representative or the claimant to settle and satisfy obligations imposed at any
130.15 time before or after a claim is filed.

130.16 (h) The personal representative may, at their discretion, provide any or all of the other
130.17 owners, remainderpersons, or surviving joint tenants with an affidavit terminating the
130.18 decedent's estate's interest in real property the decedent owned as a life tenant or as a joint
130.19 tenant with others, if the personal representative determines in good faith that neither the
130.20 decedent nor any of the decedent's predeceased spouses received any medical assistance
130.21 for which a claim could be filed under this section, or if the personal representative has filed
130.22 an affidavit with the court that the estate has other assets sufficient to pay a claim, as
130.23 presented, or if there is a written agreement under paragraph (g), or if the claim, as allowed,
130.24 has been paid in full or to the full extent of the assets the estate has available to pay it. The
130.25 affidavit may be recorded in the office of the county recorder or filed in the Office of the
130.26 Registrar of Titles for the county in which the real property is located. Except as provided
130.27 in section 514.981, subdivision 6, when recorded or filed, the affidavit shall terminate the
130.28 decedent's interest in real estate the decedent owned as a life tenant or a joint tenant with
130.29 others. The affidavit shall:

130.30 (1) be signed by the personal representative;

130.31 (2) identify the decedent and the interest being terminated;

130.32 (3) give recording information sufficient to identify the instrument that created the
130.33 interest in real property being terminated;

130.34 (4) legally describe the affected real property;

131.1 (5) state that the personal representative has determined that neither the decedent nor
131.2 any of the decedent's predeceased spouses received any medical assistance for which a claim
131.3 could be filed under this section;

131.4 (6) state that the decedent's estate has other assets sufficient to pay the claim, as presented,
131.5 or that there is a written agreement between the personal representative and the claimant
131.6 and the other owners or remainderpersons or other joint tenants to satisfy the obligations
131.7 imposed under this subdivision; and

131.8 (7) state that the affidavit is being given to terminate the estate's interest under this
131.9 subdivision, and any other contents as may be appropriate.

131.10 The recorder or registrar of titles shall accept the affidavit for recording or filing. The
131.11 affidavit shall be effective as provided in this section and shall constitute notice even if it
131.12 does not include recording information sufficient to identify the instrument creating the
131.13 interest it terminates. The affidavit shall be conclusive evidence of the stated facts.

131.14 (i) The holder of a lien arising under subdivision 1c shall release the lien at the holder's
131.15 expense against an interest terminated under paragraph (g) to the extent of the termination.

131.16 (j) If a lien arising under subdivision 1c is not released under paragraph (i), prior to
131.17 closing the estate, the personal representative shall deed the interest subject to the lien to
131.18 the remainderpersons or surviving joint tenants as their interests may appear. Upon recording
131.19 or filing, the deed shall work a merger of the recipient's life estate or joint tenancy interest,
131.20 subject to the lien, into the remainder interest or interest the decedent and others owned
131.21 jointly. The lien shall attach to and run with the property to the extent of the decedent's
131.22 interest at the time of the decedent's death.

131.23 Sec. 129. Minnesota Statutes 2024, section 256B.196, subdivision 2, is amended to read:

131.24 Subd. 2. **Commissioner's duties.** (a) For the purposes of this subdivision and subdivision
131.25 3, the commissioner shall determine the fee-for-service outpatient hospital services upper
131.26 payment limit for nonstate government hospitals. The commissioner shall then determine
131.27 the amount of a supplemental payment to Hennepin County Medical Center and Regions
131.28 Hospital for these services that would increase medical assistance spending in this category
131.29 to the aggregate upper payment limit for all nonstate government hospitals in Minnesota.
131.30 In making this determination, the commissioner shall allot the available increases between
131.31 Hennepin County Medical Center and Regions Hospital based on the ratio of medical
131.32 assistance fee-for-service outpatient hospital payments to the two facilities. The commissioner
131.33 shall adjust this allotment as necessary based on federal approvals, the amount of

132.1 intergovernmental transfers received from Hennepin and Ramsey Counties, and other factors,
132.2 in order to maximize the additional total payments. The commissioner shall inform Hennepin
132.3 County and Ramsey County of the periodic intergovernmental transfers necessary to match
132.4 federal Medicaid payments available under this subdivision in order to make supplementary
132.5 medical assistance payments to Hennepin County Medical Center and Regions Hospital
132.6 equal to an amount that when combined with existing medical assistance payments to
132.7 nonstate governmental hospitals would increase total payments to hospitals in this category
132.8 for outpatient services to the aggregate upper payment limit for all hospitals in this category
132.9 in Minnesota. Upon receipt of these periodic transfers, the commissioner shall make
132.10 supplementary payments to Hennepin County Medical Center and Regions Hospital.

132.11 (b) For the purposes of this subdivision and subdivision 3, the commissioner shall
132.12 determine an upper payment limit for physicians and other billing professionals affiliated
132.13 with Hennepin County Medical Center and with Regions Hospital. The upper payment limit
132.14 shall be based on the average commercial rate or be determined using another method
132.15 acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall
132.16 inform Hennepin County and Ramsey County of the periodic intergovernmental transfers
132.17 necessary to match the federal Medicaid payments available under this subdivision in order
132.18 to make supplementary payments to physicians and other billing professionals affiliated
132.19 with Hennepin County Medical Center and to make supplementary payments to physicians
132.20 and other billing professionals affiliated with Regions Hospital through HealthPartners
132.21 Medical Group equal to the difference between the established medical assistance payment
132.22 for physician and other billing professional services and the upper payment limit. Upon
132.23 receipt of these periodic transfers, the commissioner shall make supplementary payments
132.24 to physicians and other billing professionals affiliated with Hennepin County Medical Center
132.25 and shall make supplementary payments to physicians and other billing professionals
132.26 affiliated with Regions Hospital through HealthPartners Medical Group.

132.27 ~~(c) Beginning January 1, 2010, Ramsey County may make monthly voluntary~~
132.28 ~~intergovernmental transfers to the commissioner in amounts not to exceed \$6,000,000 per~~
132.29 ~~year. The commissioner shall increase the medical assistance capitation payments to any~~
132.30 ~~licensed health plan under contract with the medical assistance program that agrees to make~~
132.31 ~~enhanced payments to Regions Hospital. The increase shall be in an amount equal to the~~
132.32 ~~annual value of the monthly transfers plus federal financial participation, with each health~~
132.33 ~~plan receiving its pro rata share of the increase based on the pro rata share of medical~~
132.34 ~~assistance admissions to Regions Hospital by those plans. For the purposes of this paragraph,~~
132.35 ~~"the base amount" means the total annual value of increased medical assistance capitation~~

133.1 ~~payments, including the voluntary intergovernmental transfers, under this paragraph in~~
 133.2 ~~calendar year 2017. For managed care contracts beginning on or after January 1, 2018, the~~
 133.3 ~~commissioner shall reduce the total annual value of increased medical assistance capitation~~
 133.4 ~~payments under this paragraph by an amount equal to ten percent of the base amount, and~~
 133.5 ~~by an additional ten percent of the base amount for each subsequent contract year until~~
 133.6 ~~December 31, 2025. Upon the request of the commissioner, health plans shall submit~~
 133.7 ~~individual-level cost data for verification purposes. The commissioner may ratably reduce~~
 133.8 ~~these payments on a pro rata basis in order to satisfy federal requirements for actuarial~~
 133.9 ~~soundness. If payments are reduced, transfers shall be reduced accordingly. Any licensed~~
 133.10 ~~health plan that receives increased medical assistance capitation payments under the~~
 133.11 ~~intergovernmental transfer described in this paragraph shall increase its medical assistance~~
 133.12 ~~payments to Regions Hospital by the same amount as the increased payments received in~~
 133.13 ~~the capitation payment described in this paragraph. This paragraph expires January 1, 2026.~~

133.14 ~~(d)~~ (c) For the purposes of this subdivision and subdivision 3, the commissioner shall
 133.15 determine an upper payment limit for ambulance services affiliated with Hennepin County
 133.16 Medical Center and the city of St. Paul, and ambulance services owned and operated by
 133.17 another governmental entity that chooses to participate by requesting the commissioner to
 133.18 determine an upper payment limit. The upper payment limit shall be based on the average
 133.19 commercial rate or be determined using another method acceptable to the Centers for
 133.20 Medicare and Medicaid Services. The commissioner shall inform Hennepin County, the
 133.21 city of St. Paul, and other participating governmental entities of the periodic
 133.22 intergovernmental transfers necessary to match the federal Medicaid payments available
 133.23 under this subdivision in order to make supplementary payments to Hennepin County
 133.24 Medical Center, the city of St. Paul, and other participating governmental entities equal to
 133.25 the difference between the established medical assistance payment for ambulance services
 133.26 and the upper payment limit. Upon receipt of these periodic transfers, the commissioner
 133.27 shall make supplementary payments to Hennepin County Medical Center, the city of St.
 133.28 Paul, and other participating governmental entities. A tribal government that owns and
 133.29 operates an ambulance service is not eligible to participate under this subdivision.

133.30 ~~(e)~~ (d) For the purposes of this subdivision and subdivision 3, the commissioner shall
 133.31 determine an upper payment limit for physicians, dentists, and other billing professionals
 133.32 affiliated with the University of Minnesota and University of Minnesota Physicians. The
 133.33 upper payment limit shall be based on the average commercial rate or be determined using
 133.34 another method acceptable to the Centers for Medicare and Medicaid Services. The
 133.35 commissioner shall inform the University of Minnesota Medical School and University of

134.1 Minnesota School of Dentistry of the periodic intergovernmental transfers necessary to
 134.2 match the federal Medicaid payments available under this subdivision in order to make
 134.3 supplementary payments to physicians, dentists, and other billing professionals affiliated
 134.4 with the University of Minnesota and the University of Minnesota Physicians equal to the
 134.5 difference between the established medical assistance payment for physician, dentist, and
 134.6 other billing professional services and the upper payment limit. Upon receipt of these periodic
 134.7 transfers, the commissioner shall make supplementary payments to physicians, dentists,
 134.8 and other billing professionals affiliated with the University of Minnesota and the University
 134.9 of Minnesota Physicians.

134.10 ~~(f)~~ (e) The commissioner shall inform the transferring governmental entities on an
 134.11 ongoing basis of any changes needed in the intergovernmental transfers in order to continue
 134.12 the payments under paragraphs (a) to ~~(e)~~ (d), at their maximum level, including increases
 134.13 in upper payment limits, changes in the federal Medicaid match, and other factors.

134.14 ~~(g)~~ (f) The payments in paragraphs (a) to ~~(e)~~ (d) shall be implemented independently of
 134.15 each other, subject to federal approval and to the receipt of transfers under subdivision 3.

134.16 ~~(h)~~ (g) All of the data and funding transactions related to the payments in paragraphs
 134.17 (a) to ~~(e)~~ (d) shall be between the commissioner and the governmental entities.

134.18 ~~(i)~~ (h) For purposes of this subdivision, billing professionals are limited to physicians,
 134.19 nurse practitioners, nurse midwives, clinical nurse specialists, physician assistants,
 134.20 anesthesiologists, certified registered nurse anesthetists, dentists, dental hygienists, and
 134.21 dental therapists.

134.22 Sec. 130. Minnesota Statutes 2024, section 256B.1973, subdivision 1, is amended to read:

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

134.25 (b) "Billing professionals" means physicians, nurse practitioners, nurse midwives, clinical
 134.26 nurse specialists, physician assistants, anesthesiologists, and certified registered nurse
 134.27 anesthetists, and may include dentists, individually enrolled dental hygienists, and dental
 134.28 therapists.

134.29 (c) "Health plan" means a managed care or county-based purchasing plan that is under
 134.30 contract with the commissioner to deliver services to medical assistance enrollees under
 134.31 section 256B.69.

135.1 (d) "High medical assistance utilization" means a medical assistance utilization rate
135.2 equal to the standard established in section 256.969, subdivision 9, paragraph (d), clause
135.3 (6).

135.4 Sec. 131. Minnesota Statutes 2024, section 256B.431, subdivision 17d, is amended to
135.5 read:

135.6 Subd. 17d. **Determination of rental per diem for total replacement projects.** (a) For
135.7 purposes of this subdivision, a total replacement means the complete replacement of the
135.8 nursing facility's physical plant through the construction of a new physical plant, the transfer
135.9 of the nursing facility's license from one physical plant location to another, or a new building
135.10 addition to relocate beds from three- and four-bed wards. For total replacement projects
135.11 completed on or after July 1, 1992, the commissioner shall compute the incremental change
135.12 in the nursing facility's rental per diem, for rate years beginning on or after July 1, 1995,
135.13 by replacing its appraised value, including the historical capital asset costs, and the capital
135.14 debt and interest costs with the new nursing facility's allowable capital asset costs and the
135.15 related allowable capital debt and interest costs. If the new nursing facility has decreased
135.16 its licensed capacity, the aggregate investment per bed limit in subdivision 3a, paragraph
135.17 (c), shall apply.

135.18 (b) If the new nursing facility has retained a portion of the original physical plant for
135.19 nursing facility usage, then a portion of the appraised value prior to the replacement must
135.20 be retained and included in the calculation of the incremental change in the nursing facility's
135.21 rental per diem. For purposes of this subdivision, the original nursing facility means the
135.22 nursing facility prior to the total replacement project. The portion of the appraised value to
135.23 be retained shall be calculated according to clauses (1) to (3):

135.24 (1) The numerator of the allocation ratio shall be the square footage of the area in the
135.25 original physical plant which is being retained for nursing facility usage.

135.26 (2) The denominator of the allocation ratio shall be the total square footage of the original
135.27 nursing facility physical plant.

135.28 (3) Each component of the nursing facility's allowable appraised value prior to the total
135.29 replacement project shall be multiplied by the allocation ratio developed by dividing clause
135.30 (1) by clause (2).

135.31 (c) In the case of either type of total replacement as authorized under section 144A.071
135.32 or 144A.073, the provisions of subdivisions 17 to 17f shall also apply.

136.1 ~~(d) For purposes of the moratorium exception authorized under section 144A.071,~~
 136.2 ~~subdivision 4a, paragraph (s), if the total replacement involves the renovation and use of~~
 136.3 ~~an existing health care facility physical plant, the new allowable capital asset costs and~~
 136.4 ~~related debt and interest costs shall include first the allowable capital asset costs and related~~
 136.5 ~~debt and interest costs of the renovation, to which shall be added the allowable capital asset~~
 136.6 ~~costs of the existing physical plant prior to the renovation, and if reported by the facility,~~
 136.7 ~~the related allowable capital debt and interest costs.~~

136.8 Sec. 132. Minnesota Statutes 2024, section 256B.69, subdivision 16, is amended to read:

136.9 Subd. 16. **Project extension.** Minnesota Rules, parts 9500.1450; 9500.1451; 9500.1452;
 136.10 9500.1453; 9500.1454; 9500.1455; 9500.1457; 9500.1458; 9500.1459; 9500.1460;
 136.11 ~~9500.1461~~; 9500.1462; 9500.1463; and 9500.1464, are extended.

136.12 Sec. 133. Minnesota Statutes 2025 Supplement, section 256B.761, subdivision 2, is
 136.13 amended to read:

136.14 Subd. 2. **Capitation payments.** Managed care and county-based purchasing plans must
 136.15 reimburse providers at an amount that is at least equal to the fee-for-service rate for services
 136.16 under this section. The commissioner must monitor the effect of this rate adjustment on
 136.17 enrollee access to behavioral health services. If for any contract year federal approval is not
 136.18 received for this subdivision, the commissioner must adjust the capitation rates paid to
 136.19 managed care plans and county-based purchasing plans for that contract year to reflect the
 136.20 removal of this ~~provision~~ subdivision. Contracts between managed care plans and
 136.21 county-based purchasing plans and providers to whom this subdivision applies must allow
 136.22 recovery of payments from those providers if capitation rates are adjusted in accordance
 136.23 with this subdivision. Payment recoveries must not exceed the amount equal to any increase
 136.24 in rates that results from this subdivision.

136.25 Sec. 134. Minnesota Statutes 2024, section 256B.77, subdivision 4, is amended to read:

136.26 Subd. 4. **Federal waivers.** The commissioner, in consultation with county authorities,
 136.27 shall request any authority from the United States Department of Health and Human Services
 136.28 that is necessary to implement the demonstration project under the medical assistance
 136.29 program; and authority to combine Medicaid and Medicare funding for service delivery to
 136.30 eligible individuals who are also eligible for Medicare, only if this authority does not preclude
 136.31 county authority participation under the waiver. Implementation of these programs may
 136.32 begin without authority to include Medicare funding. ~~The commissioner may authorize~~

137.1 ~~county authorities to begin enrollment of eligible individuals upon federal approval but no~~
137.2 ~~earlier than July 1, 1998.~~

137.3 Sec. 135. Minnesota Statutes 2024, section 256B.77, subdivision 5, is amended to read:

137.4 Subd. 5. **Demonstration sites.** The commissioner shall designate up to two demonstration
137.5 sites with the approval of the county authority. Demonstration sites may include one county
137.6 or a multicounty group. At least one of the sites shall implement a model specifically
137.7 addressing the needs of eligible individuals with physical disabilities. ~~By February 1, 1998,~~
137.8 ~~the commissioner and the county authorities shall submit to the chairs of the senate~~
137.9 ~~Committee on Health and Family Security and the house of representatives Committee on~~
137.10 ~~Health and Human Services a phased enrollment plan to ensure an orderly transition which~~
137.11 ~~protects the health and safety of enrollees and ensures continuity of services.~~

137.12 Sec. 136. Minnesota Statutes 2024, section 256B.85, subdivision 7b, is amended to read:

137.13 Subd. 7b. **Services provided by parents and spouses.** (a) This subdivision applies to
137.14 services and supports described in subdivision 7, clause ~~(8)~~ (9).

137.15 (b) If multiple parents are support workers providing CFSS services to their minor child
137.16 or children, each parent may provide up to 40 hours of medical assistance home and
137.17 community-based services in any seven-day period regardless of the number of children
137.18 served. The total number of hours of medical assistance home and community-based services
137.19 provided by all of the parents must not exceed 80 hours in a seven-day period regardless of
137.20 the number of children served.

137.21 (c) If only one parent is a support worker providing CFSS services to the parent's minor
137.22 child or children, the parent may provide up to 60 hours of medical assistance home and
137.23 community-based services in a seven-day period regardless of the number of children served.

137.24 (d) If a participant's spouse is a support worker providing CFSS services, the spouse
137.25 may provide up to 60 hours of medical assistance home and community-based services in
137.26 a seven-day period.

137.27 (e) Paragraphs (b) to (d) must not be construed to permit an increase in either the total
137.28 authorized service budget for an individual or the total number of authorized service units.

137.29 (f) A parent or participant's spouse must not receive a wage that exceeds the current rate
137.30 for a CFSS support worker, including wages, benefits, and payroll taxes.

138.1 Sec. 137. Minnesota Statutes 2024, section 256B.85, subdivision 20, is amended to read:

138.2 Subd. 20. **Participant protections.** (a) All CFSS participants have the protections
138.3 identified in this subdivision.

138.4 (b) Participants or ~~participant's~~ participants' representatives must be provided with
138.5 adequate information, counseling, training, and assistance, as needed, to ensure that the
138.6 participant is able to choose and manage services, models, and budgets. This information
138.7 must be provided by the consultation services provider at the time of the initial or annual
138.8 orientation to CFSS, at the time of reassessment, or when requested by the participant or
138.9 participant's representative. This information must explain:

138.10 (1) person-centered planning;

138.11 (2) the range and scope of participant choices, including the differences between the
138.12 agency-provider model and the budget model, available CFSS providers, and other services
138.13 available in the community to meet the participant's needs;

138.14 (3) the process for changing plans, services, and budgets;

138.15 (4) identifying and assessing appropriate services; and

138.16 (5) risks to and responsibilities of the participant under the budget model.

138.17 (c) The consultation services provider must ensure that the participant chooses freely
138.18 between the agency-provider model and the budget model and among available
138.19 agency-providers and that the participant may change agency-providers after services have
138.20 begun.

138.21 (d) A participant who appeals a reduction in previously authorized CFSS services may
138.22 continue previously authorized services pending an appeal in accordance with section
138.23 256.045.

138.24 (e) If the units of service or budget allocation for CFSS are reduced, denied, or terminated,
138.25 the commissioner must provide notice of the reasons for the reduction in the participant's
138.26 notice of denial, termination, or reduction.

138.27 (f) If all or part of a CFSS service delivery plan is denied approval by the lead agency,
138.28 the lead agency must provide a notice that describes the basis of the denial.

138.29 Sec. 138. Minnesota Statutes 2024, section 256D.01, subdivision 1, is amended to read:

138.30 Subdivision 1. **Policy.** The objectives of sections 256D.01 to ~~256D.21~~ 256D.17 are to
138.31 provide a sound administrative structure for public assistance programs; to maximize the

139.1 use of federal money for public assistance purposes; to provide an integrated public assistance
139.2 program for eligible households in the state without adequate income or resources to maintain
139.3 a subsistence reasonably compatible with decency and health; and to provide services to
139.4 help employable and potentially employable persons prepare for and attain self-sufficiency
139.5 and obtain permanent work.

139.6 It is the policy of this state that eligible households unable to provide for themselves
139.7 and not otherwise provided for by law who meet the eligibility requirements of sections
139.8 ~~256D.01 to 256D.21~~ 256D.17 are entitled to receive grants of general assistance necessary
139.9 to maintain a subsistence reasonably compatible with decency and health. Providing this
139.10 assistance is a matter of public concern and a necessity in promoting the public health and
139.11 welfare.

139.12 Sec. 139. Minnesota Statutes 2024, section 256D.01, subdivision 1e, is amended to read:

139.13 Subd. 1e. **Rules regarding emergency assistance.** The commissioner shall adopt rules
139.14 under the terms of sections 256D.01 to ~~256D.21~~ 256D.17 for general assistance, to require
139.15 use of the emergency program under MFIP as the primary financial resource when available.
139.16 The commissioner shall adopt rules for eligibility for general assistance of persons with
139.17 seasonal income and may attribute seasonal income to other periods not in excess of one
139.18 year from receipt by an applicant or recipient. General assistance payments may not be
139.19 made for foster care, community residential settings licensed under chapter 245D, child
139.20 welfare services, or other social services. Vendor payments and vouchers may be issued
139.21 only as authorized in sections 256D.05, subdivision 6, and 256D.09.

139.22 Sec. 140. Minnesota Statutes 2024, section 256D.01, subdivision 2, is amended to read:

139.23 Subd. 2. **Citation.** Sections 256D.01 to ~~256D.21~~ 256D.17 may be cited as the "General
139.24 Assistance Act."

139.25 Sec. 141. Minnesota Statutes 2024, section 256D.02, subdivision 1, is amended to read:

139.26 Subdivision 1. **Scope.** For purposes of sections 256D.01 to ~~256D.21~~ 256D.17, the terms
139.27 defined in this section have the meanings given them unless otherwise provided or indicated
139.28 by the context.

139.29 Sec. 142. Minnesota Statutes 2024, section 256D.03, subdivision 1, is amended to read:

139.30 Subdivision 1. **County administration.** Every county agency shall provide general
139.31 assistance to persons residing within its jurisdiction who meet the need requirements of

140.1 sections 256D.01 to ~~256D.21~~ 256D.17. General assistance shall be administered by the
140.2 county agencies according to law and rules promulgated by the commissioner pursuant to
140.3 sections 14.001 to 14.69.

140.4 Sec. 143. Minnesota Statutes 2024, section 256D.04, is amended to read:

140.5 **256D.04 DUTIES OF THE COMMISSIONER.**

140.6 In addition to any other duties imposed by law, the commissioner shall:

140.7 (1) supervise according to section 256.01 the administration of general assistance by
140.8 county agencies as provided in sections 256D.01 to ~~256D.21~~ 256D.17;

140.9 (2) promulgate uniform rules consistent with law for carrying out and enforcing the
140.10 provisions of sections 256D.01 to ~~256D.21~~ 256D.17 to the end that general assistance may
140.11 be administered as uniformly as possible throughout the state; rules shall be furnished
140.12 immediately to all county agencies and other interested persons; in promulgating rules, the
140.13 provisions of sections 14.001 to 14.69, shall apply;

140.14 (3) allocate money appropriated for general assistance to county agencies as provided
140.15 in section 256D.03, subdivision 2;

140.16 (4) accept and supervise the disbursement of any funds that may be provided by the
140.17 federal government or from other sources for use in this state for general assistance;

140.18 (5) cooperate with other agencies including any agency of the United States or of another
140.19 state in all matters concerning the powers and duties of the commissioner under sections
140.20 256D.01 to ~~256D.21~~ 256D.17;

140.21 (6) cooperate to the fullest extent with other public agencies empowered by law to
140.22 provide vocational training, rehabilitation, or similar services;

140.23 (7) gather and study current information and report at least annually to the governor on
140.24 the nature and need for general assistance, the amounts expended under the supervision of
140.25 each county agency, and the activities of each county agency and publish such reports for
140.26 the information of the public;

140.27 (8) specify requirements for general assistance reports, including fiscal reports, according
140.28 to section 256.01, subdivision 2, paragraph ~~(p)~~ (o); and

140.29 (9) ensure that every notice of eligibility for general assistance includes a notice that
140.30 women who are pregnant may be eligible for medical assistance benefits.

141.1 Sec. 144. Minnesota Statutes 2024, section 256D.045, is amended to read:

141.2 **256D.045 SOCIAL SECURITY NUMBER REQUIRED.**

141.3 To be eligible for general assistance under sections 256D.01 to ~~256D.21~~ 256D.17, an
 141.4 individual must provide the individual's Social Security number to the county agency or
 141.5 submit proof that an application has been made. The provisions of this section do not apply
 141.6 to the determination of eligibility for emergency general assistance under section 256D.06,
 141.7 subdivision 2. This provision applies to eligible children under the age of 18 effective July
 141.8 1, 1997.

141.9 Sec. 145. Minnesota Statutes 2024, section 256D.05, subdivision 8, is amended to read:

141.10 Subd. 8. **Citizenship.** (a) Effective July 1, 1997, citizenship requirements for applicants
 141.11 and recipients under sections 256D.01 to 256D.03, subdivision 2, and 256D.04 to ~~256D.21~~
 141.12 256D.17 shall be determined the same as under section 142G.11. The income and assets of
 141.13 sponsors of noncitizens shall be deemed available to general assistance applicants and
 141.14 recipients according to the Personal Responsibility and Work Opportunity Reconciliation
 141.15 Act of 1996, Public Law 104-193, title IV, sections 421 and 422, and subsequently set out
 141.16 in federal rules.

141.17 (b) As a condition of eligibility, each legal adult noncitizen in the assistance unit who
 141.18 has resided in the country for four years or more and who is under 70 years of age must:

141.19 (1) be enrolled in a literacy class, English as a second language class, or a citizen class;

141.20 (2) be applying for admission to a literacy class, English as a second language class, and
 141.21 is on a waiting list;

141.22 (3) be in the process of applying for a waiver from the United States Citizenship and
 141.23 Immigration Services of the English language or civics requirements of the citizenship test;

141.24 (4) have submitted an application for citizenship to the United States Citizenship and
 141.25 Immigration Services and is waiting for a testing date or a subsequent swearing in ceremony;
 141.26 or

141.27 (5) have been denied citizenship due to a failure to pass the test after two attempts or
 141.28 because of an inability to understand the rights and responsibilities of becoming a United
 141.29 States citizen, as documented by the United States Citizenship and Immigration Services
 141.30 or the county.

141.31 If the county social service agency determines that a legal noncitizen subject to the
 141.32 requirements of this subdivision will require more than one year of English language training,

142.1 then the requirements of clause (1) or (2) shall be imposed after the legal noncitizen has
142.2 resided in the country for three years. Individuals who reside in a facility licensed under
142.3 chapter 144A, 144G, 245A, or 256I are exempt from the requirements of this section.

142.4 Sec. 146. Minnesota Statutes 2024, section 256D.06, subdivision 7, is amended to read:

142.5 Subd. 7. **SSI conversions and back claims.** (a) The commissioner of human services
142.6 shall contract with agencies or organizations capable of ensuring that clients who are
142.7 presently receiving assistance under sections 256D.01 to ~~256D.21~~ 256D.17, and who may
142.8 be eligible for benefits under the federal Supplemental Security Income program, apply
142.9 and, when eligible, are converted to the federal income assistance program and made eligible
142.10 for health care benefits under the medical assistance program. The commissioner shall
142.11 ensure that money owing to the state under interim assistance agreements is collected.

142.12 (b) The commissioner shall also directly or through contract implement procedures for
142.13 collecting federal Medicare and medical assistance funds for which clients converted to SSI
142.14 are retroactively eligible.

142.15 (c) The commissioner shall contract with agencies to ensure implementation of this
142.16 section. County contracts with providers for residential services shall include the requirement
142.17 that providers screen residents who may be eligible for federal benefits and provide that
142.18 information to the local agency. The commissioner shall modify the MAXIS computer
142.19 system to provide information on clients who have been on general assistance for two years
142.20 or longer. The list of clients shall be provided to local services for screening under this
142.21 section.

142.22 Sec. 147. Minnesota Statutes 2024, section 256D.07, is amended to read:

142.23 **256D.07 TIME OF PAYMENT OF ASSISTANCE.**

142.24 An applicant for general assistance shall be deemed eligible if the application and the
142.25 verification of the statement on that application demonstrate that the applicant is within the
142.26 eligibility criteria established by sections 256D.01 to ~~256D.21~~ 256D.17 and any applicable
142.27 rules of the commissioner. Any person requesting general assistance shall be permitted by
142.28 the county agency to make an application for assistance as soon as administratively possible
142.29 and in no event later than the fourth day following the date on which assistance is first
142.30 requested, and no county agency shall require that a person requesting assistance appear at
142.31 the offices of the county agency more than once prior to the date on which the person is
142.32 permitted to make the application. Applications must be submitted according to section
142.33 256P.04, subdivision 1a. On the date that general assistance is first requested, the county

143.1 agency shall inquire and determine whether the person requesting assistance is in immediate
 143.2 need of food, shelter, clothing, assistance for necessary transportation, or other emergency
 143.3 assistance pursuant to section 256D.06, subdivision 2. A person in need of emergency
 143.4 assistance shall be granted emergency assistance immediately, and necessary emergency
 143.5 assistance shall continue for up to 30 days following the date of application. A determination
 143.6 of an applicant's eligibility for general assistance shall be made by the county agency as
 143.7 soon as the required verifications are received by the county agency and in no event later
 143.8 than 30 days following the date that the application is made. Any verifications required of
 143.9 the applicant shall be reasonable, and the commissioner shall by rule establish reasonable
 143.10 verifications. General assistance shall be granted to an eligible applicant without the necessity
 143.11 of first securing action by the board of the county agency. The first month's grant must be
 143.12 computed to cover the time period starting with the date of application or from the date that
 143.13 the applicant meets all eligibility factors, whichever occurs later.

143.14 If upon verification and due investigation it appears that the applicant provided false
 143.15 information and the false information materially affected the applicant's eligibility for general
 143.16 assistance or the amount of the applicant's general assistance grant, the county agency may
 143.17 refer the matter to the county attorney. The county attorney may commence a criminal
 143.18 prosecution or a civil action for the recovery of any general assistance wrongfully received,
 143.19 or both.

143.20 Sec. 148. Minnesota Statutes 2024, section 256D.16, is amended to read:

143.21 **256D.16 GENERAL ASSISTANCE TO BE ALLOWED AS CLAIM IN COURT.**

143.22 On the death of any person who received any general assistance under sections 256D.01
 143.23 to ~~256D.21~~ 256D.17, or on the death of the survivor of a married couple, either or both of
 143.24 whom received general assistance, the total amount paid as general assistance to either or
 143.25 both, without interest, shall be allowed as a claim against the estate of such person or persons
 143.26 by the court having jurisdiction to probate the estate.

143.27 Sec. 149. Minnesota Statutes 2024, section 256F.10, subdivision 6, is amended to read:

143.28 Subd. 6. **Distribution of new federal revenue.** (a) Except for portion set aside in
 143.29 paragraph (b), the federal funds earned under this section and section 256B.094 by providers
 143.30 shall be paid to each provider based on its earnings, and must be used by each provider to
 143.31 expand preventive child welfare services.

143.32 If a county or tribal social services agency chooses to be a provider of child welfare
 143.33 targeted case management and if that county or tribal social services agency also joins a

144.1 local children's mental health collaborative as authorized by the 1993 legislature, then the
 144.2 federal reimbursement received by the county or tribal social services agency for providing
 144.3 child welfare targeted case management services to children served by the local collaborative
 144.4 shall be transferred by the county or tribal social services agency to the integrated fund.
 144.5 The federal reimbursement transferred to the integrated fund by the county or tribal social
 144.6 services agency must not be used for residential care other than respite care described under
 144.7 subdivision 7, paragraph (d).

144.8 (b) The commissioner shall set aside a portion of the federal funds earned under this
 144.9 section to repay the special revenue maximization account under section 256.01, subdivision
 144.10 2, paragraph ~~(n)~~ (n). The repayment is limited to:

144.11 (1) the costs of developing and implementing this section and section 256B.094;

144.12 (2) programming the information systems; and

144.13 (3) the lost federal revenue for the central office claim directly caused by the
 144.14 implementation of these sections.

144.15 Any unexpended funds from the set-aside under this paragraph shall be distributed to
 144.16 providers according to paragraph (a).

144.17 Sec. 150. Minnesota Statutes 2024, section 256F.10, subdivision 7, is amended to read:

144.18 **Subd. 7. Expansion of services and base level of expenditures.** (a) Counties and tribal
 144.19 social services must continue the base level of expenditures for preventive child welfare
 144.20 services from either or both of any state, county, or federal funding source, which, in the
 144.21 absence of federal funds earned under this section, would have been available for these
 144.22 services. The commissioner shall review the county or tribal social services expenditures
 144.23 annually using reports required under sections 245.482 and 256.01, subdivision 2, paragraph
 144.24 ~~(p)~~ (o), to ensure that the base level of expenditures for preventive child welfare services
 144.25 is continued from sources other than the federal funds earned under this section.

144.26 (b) The commissioner may reduce, suspend, or eliminate either or both of a county's or
 144.27 tribal social services' obligations to continue the base level of expenditures and to expand
 144.28 child welfare preventive services if the commissioner determines that one or more of the
 144.29 following conditions apply to that county or reservation:

144.30 (1) imposition of levy limits that significantly reduce available social service funds;

144.31 (2) reduction in the net tax capacity of the taxable property within a county or reservation
 144.32 that significantly reduces available social service funds;

145.1 (3) reduction in the number of children under age 19 in the county or reservation by 25
145.2 percent when compared with the number in the base year using the most recent data provided
145.3 by the State Demographer's Office; or

145.4 (4) termination of the federal revenue earned under this section.

145.5 (c) The commissioner may suspend for one year either or both of a county's or tribal
145.6 social services' obligations to continue the base level of expenditures and to expand child
145.7 welfare preventive services if the commissioner determines that in the previous year one
145.8 or more of the following conditions applied to that county or reservation:

145.9 (1) the total number of children in placement under sections 260C.212 and 393.07,
145.10 subdivisions 1 and 2, has been reduced by 50 percent from the total number in the base
145.11 year; or

145.12 (2) the average number of children in placement under sections 260C.212 and 393.07,
145.13 subdivisions 1 and 2, on the last day of each month is equal to or less than one child per
145.14 1,000 children in the county or reservation.

145.15 (d) For the purposes of this section, child welfare preventive services are those services
145.16 directed toward a specific child or family that further the goals of Minnesota Statutes 2002,
145.17 section 256F.01, and include assessments, family preservation services, service coordination,
145.18 community-based treatment, crisis nursery services when the parents retain custody and
145.19 there is no voluntary placement agreement with a child-placing agency, respite care except
145.20 when it is provided under a medical assistance waiver, home-based services, and other
145.21 related services. For the purposes of this section, child welfare preventive services shall not
145.22 include shelter care placements under the authority of the court or public agency to address
145.23 an emergency, residential services except for respite care, child care for the purposes of
145.24 employment and training, adult services, services other than child welfare targeted case
145.25 management when they are provided under medical assistance, placement services, or
145.26 activities not directed toward a specific child or family. Respite care must be planned, routine
145.27 care to support the continuing residence of the child with its family or long-term primary
145.28 caretaker and must not be provided to address an emergency.

145.29 (e) For the counties and tribal social services beginning to claim federal reimbursement
145.30 for services under this section and section 256B.094, the base year is the calendar year
145.31 ending at least two calendar quarters before the first calendar quarter in which the provider
145.32 begins claiming reimbursement. For the purposes of this section, the base level of
145.33 expenditures is the level of county or tribal social services expenditures in the base year for
145.34 eligible child welfare preventive services described in this subdivision.

146.1 Sec. 151. Minnesota Statutes 2024, section 256I.04, subdivision 1, is amended to read:

146.2 Subdivision 1. **Individual eligibility requirements.** An individual is eligible for and
146.3 entitled to a housing support payment to be made on the individual's behalf if the agency
146.4 has approved the setting where the individual will receive housing support and the individual
146.5 meets the requirements in paragraph (a), (b), (c), or (d).

146.6 (a) The individual is aged, blind, or is over 18 years of age with a disability as determined
146.7 under the criteria used by the title II program of the Social Security Act, and meets the
146.8 resource restrictions and standards of section 256P.02, and the individual's countable income
146.9 after deducting the (1) exclusions and disregards of the SSI program, (2) the medical
146.10 assistance personal needs allowance under section 256B.35, and (3) an amount equal to the
146.11 income actually made available to a community spouse by an elderly waiver participant
146.12 under the provisions of sections 256B.0575, subdivision 1, paragraph (a), clause (4), and
146.13 256B.058, subdivision 2, is less than the monthly rate specified in the agency's agreement
146.14 with the provider of housing support in which the individual resides.

146.15 (b) The individual meets a category of eligibility under section 256D.05, subdivision 1,
146.16 paragraph (a), clauses (1), (3), (4) to (8), and (13), and paragraph (b), if applicable, and the
146.17 individual's resources are less than the standards specified by section 256P.02, and the
146.18 individual's countable income as determined under section 256P.06, less the medical
146.19 assistance personal needs allowance under section 256B.35 is less than the monthly rate
146.20 specified in the agency's agreement with the provider of housing support in which the
146.21 individual resides.

146.22 (c) The individual lacks a fixed, adequate, nighttime residence upon discharge from a
146.23 residential behavioral health treatment program, as determined by treatment staff from the
146.24 residential behavioral health treatment program. An individual is eligible under this paragraph
146.25 for up to three months, including a full or partial month from the individual's move-in date
146.26 at a setting approved for housing support following discharge from treatment, plus two full
146.27 months.

146.28 (d) The individual meets the criteria related to establishing a certified disability or
146.29 disabling condition in paragraph (a) or (b) and lacks a fixed, adequate, nighttime residence
146.30 upon discharge from a correctional facility, as determined by an authorized representative
146.31 from a Minnesota-based correctional facility. An individual is eligible under this paragraph
146.32 for up to three months, including a full or partial month from the individual's move-in date
146.33 at a setting approved for housing support following release, plus two full months. Any

147.1 income received by people who meet the disabling condition criteria established in paragraph
147.2 (a) or (b) is not countable for the duration of eligibility under this paragraph.

147.3 Sec. 152. Minnesota Statutes 2024, section 256I.05, subdivision 1c, is amended to read:

147.4 Subd. 1c. **Rate increases.** An agency may not increase the rates negotiated for housing
147.5 support above those in effect on June 30, 1993, except as provided in paragraphs (a) to (f).

147.6 (a) An agency may increase the rates for room and board to the MSA equivalent rate
147.7 for those settings whose current rate is below the MSA equivalent rate.

147.8 (b) An agency may increase the rates for residents in adult foster care whose difficulty
147.9 of care has increased. The total housing support rate for these residents must not exceed the
147.10 maximum rate specified in subdivisions 1 and 1a. Agencies must not include nor increase
147.11 difficulty of care rates for adults in foster care whose difficulty of care is eligible for funding
147.12 by home and community-based waiver programs under title XIX of the Social Security Act.

147.13 (c) An agency must increase the room and board rates each year when the MSA equivalent
147.14 rate is adjusted for SSI cost-of-living increases by the amount of the annual SSI increase,
147.15 less the amount of the increase in the medical assistance personal needs allowance under
147.16 section 256B.35.

147.17 (d) An agency may increase the rates for residents in facilities meeting substantial change
147.18 criteria within the prior year. Substantial change criteria exist if the establishment experiences
147.19 a 25 percent increase or decrease in the total number of its beds, if the net cost of capital
147.20 additions or improvements is in excess of 15 percent of the current market value of the
147.21 residence, or if the residence physically moves, or changes its licensure, and incurs a resulting
147.22 increase in operation and property costs.

147.23 (e) Until June 30, 1994, an agency may increase by up to five percent the total rate paid
147.24 for recipients of assistance under sections 256D.01 to ~~256D.21~~ 256D.17 or 256D.33 to
147.25 256D.54 who reside in residences that are licensed by the commissioner of health as a
147.26 boarding care home, but are not certified for the purposes of the medical assistance program.
147.27 However, an increase under this clause must not exceed an amount equivalent to 65 percent
147.28 of the 1991 medical assistance reimbursement rate for nursing home resident class A, in
147.29 the geographic grouping in which the facility is located, as established under Minnesota
147.30 Rules, parts 9549.0051 to 9549.0058.

147.31 (f) Notwithstanding the provisions of subdivision 1, an agency may increase the monthly
147.32 room and board rates by \$50 per month for residents in settings under section 256I.04,
147.33 subdivision 2a, paragraph (b), clause (2). Participants in the Minnesota supportive housing

148.1 demonstration program under section 256I.04, subdivision 3, paragraph (a), clause (3), may
148.2 not receive the increase under this paragraph.

148.3 Sec. 153. Minnesota Statutes 2024, section 256K.10, subdivision 3, is amended to read:

148.4 Subd. 3. **Allocation of grants.** The commissioner shall allocate grants under this section
148.5 to finance up to 90 percent of each county's costs for services to persons with serious and
148.6 persistent mental illness. The commissioner shall promulgate permanent rules to govern
148.7 grant applications, approval of applications, allocation of grants, and maintenance of financial
148.8 statements by grant recipients. The commissioner shall specify requirements for reports,
148.9 including quarterly fiscal reports, according to section 256.01, subdivision 2, paragraph ~~(p)~~
148.10 (o). The commissioner shall require collection of data and periodic reports as the
148.11 commissioner deems necessary to demonstrate the effectiveness of the services in helping
148.12 persons with serious and persistent mental illness remain and function in their own
148.13 communities.

148.14 Sec. 154. Minnesota Statutes 2024, section 256S.21, subdivision 3, is amended to read:

148.15 Subd. 3. **Cost reporting.** (a) As determined by the commissioner, in consultation with
148.16 stakeholders, a provider enrolled to provide services with rates determined under this chapter
148.17 must submit requested cost data to the commissioner to support evaluation of the rate
148.18 methodologies in this chapter. Requested cost data may include but are not limited to:

148.19 (1) worker wage costs;

148.20 (2) benefits paid;

148.21 (3) supervisor wage costs;

148.22 (4) executive wage costs;

148.23 (5) vacation, sick, and training time paid;

148.24 (6) taxes, workers' compensation, and unemployment insurance costs paid;

148.25 (7) administrative costs paid;

148.26 (8) program costs paid;

148.27 (9) transportation costs paid;

148.28 (10) vacancy rates; and

148.29 (11) other data relating to costs required to provide services requested by the
148.30 commissioner.

149.1 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
 149.2 year that ended not more than 18 months prior to the submission date. The commissioner
 149.3 shall provide each provider a 90-day notice prior to the provider's submission due date. If
 149.4 by 30 days after the required submission date a provider fails to submit required reporting
 149.5 data, the commissioner shall provide notice to the provider, and if by 60 days after the
 149.6 required submission date a provider has not provided the required data, the commissioner
 149.7 shall provide a second notice. The commissioner shall temporarily suspend payments to the
 149.8 provider if cost data is not received 90 days after the required submission date. Withheld
 149.9 payments must be made once data is received by the commissioner.

149.10 (c) The commissioner shall coordinate the cost reporting activities required under this
 149.11 section with the cost reporting activities directed under section 256B.4914, subdivision 10a.

149.12 (d) The commissioner shall analyze cost documentation in paragraph (a) and, in
 149.13 consultation with stakeholders, may submit recommendations on rate methodologies in this
 149.14 chapter, including ways to monitor and enforce the spending requirements directed in section
 149.15 ~~256S.2101, subdivision 3~~ 256S.211, subdivision 4, through the reports directed by subdivision
 149.16 2.

149.17 Sec. 155. Minnesota Statutes 2024, section 257.05, subdivision 3, is amended to read:

149.18 Subd. 3. **International adoptions.** Subject to state and federal laws and rules, adoption
 149.19 agencies licensed under chapter 142B and Minnesota Rules, parts 9545.0755 to ~~9545.0845~~
 149.20 9545.0835, and county social services agencies are authorized to certify that the prospective
 149.21 adoptive home of a child brought into the state from another country for the purpose of
 149.22 adoption is a suitable home, or that the home meets the commissioner's requirements for
 149.23 licensing of foster homes if legal adoption is not contemplated.

149.24 Sec. 156. Minnesota Statutes 2024, section 257.0755, subdivision 3, is amended to read:

149.25 Subd. 3. **Appropriation.** Money appropriated for each ombudsperson from the general
 149.26 fund or the special fund authorized by section 256.01, subdivision 2, paragraph ~~(n)~~ (n), is
 149.27 under the control of each ombudsperson for which it is appropriated.

149.28 Sec. 157. Minnesota Statutes 2025 Supplement, section 257.0769, subdivision 1, is amended
 149.29 to read:

149.30 Subdivision 1. **Appropriations.** (a) \$23,000 from the special account authorized by
 149.31 section 256.01, subdivision 2, paragraph ~~(n)~~ (o), is annually appropriated to the Office of
 149.32 Ombudsperson for American Indian Families for the purpose of section 3.9215.

150.1 (b) \$69,000 from the special account authorized by section 256.01, subdivision 2,
150.2 paragraph ~~(n)~~ (o), is annually appropriated to the Office of Ombudsperson for Families for
150.3 the purposes of sections 257.0755 to 257.0768.

150.4 Sec. 158. Minnesota Statutes 2024, section 259.41, subdivision 1, is amended to read:

150.5 Subdivision 1. **Study required before placement; certain relatives excepted.** (a) An
150.6 approved adoption study; completed background study, as required under section 245C.33;
150.7 and written report must be completed before the child is placed in a prospective adoptive
150.8 home under this chapter, except as allowed by section 259.47, subdivision 6. In an agency
150.9 placement, the report must be filed with the court at the time the adoption petition is filed.
150.10 In a direct adoptive placement, the report must be filed with the court in support of a motion
150.11 for temporary preadoptive custody under section 259.47, subdivision 3, or, if the study and
150.12 report are complete, in support of an emergency order under section 259.47, subdivision 6.
150.13 The study and report shall be completed by a licensed child-placing agency and must be
150.14 thorough and comprehensive. The study and report shall be paid for by the prospective
150.15 adoptive parent, except as otherwise required under section 142A.03, subdivision 2, paragraph
150.16 (j), ~~259.67~~, or 259.73.

150.17 (b) A placement for adoption with an individual who is related to the child, as defined
150.18 by section 142B.01, subdivision 15, is subject to a background study required by subdivision
150.19 2, paragraph (a), clause (1), items (i) and (ii), and subdivision 3. In the case of a stepparent
150.20 adoption, a background study must be completed on the stepparent and any children as
150.21 required under subdivision 3, paragraph (b), except that a child of the stepparent does not
150.22 need to have a background study complete if they are a sibling through birth or adoption of
150.23 the person being adopted. The local social services agency of the county in which the
150.24 prospective adoptive parent lives must initiate a background study unless a child-placing
150.25 agency has been involved with the adoption. The local social service agency may charge a
150.26 reasonable fee for the background study. If a placement is being made the background study
150.27 must be completed prior to placement pursuant to section 259.29, subdivision 1, paragraph
150.28 (c). Background study results must be filed with the adoption petition according to section
150.29 259.22, except in an adult adoption where an adoption study and background study are not
150.30 needed.

150.31 (c) In the case of a licensed foster parent seeking to adopt a child who is in the foster
150.32 parent's care, any portions of the foster care licensing process that duplicate requirements
150.33 of the home study may be submitted in satisfaction of the relevant requirements of this
150.34 section.

151.1 Sec. 159. Minnesota Statutes 2024, section 259.83, subdivision 1, is amended to read:

151.2 Subdivision 1. **Services provided.** (a) Agencies shall provide assistance and counseling
151.3 services upon receiving a request for current information from adoptive parents, birth parents,
151.4 adopted persons aged 18 years of age and older, or adult siblings of adopted persons. The
151.5 agency shall contact the other adult persons or the adoptive parents of a minor child in a
151.6 personal and confidential manner to determine whether there is a desire to receive or share
151.7 information or to have contact. If there is such a desire, the agency shall provide the services
151.8 requested. The agency shall complete the search request within six months of the request
151.9 being made. If the agency is unable to complete the search request within the specified time
151.10 frame, the agency shall inform the requester of the status of the request and include a
151.11 reasonable estimate of when the request can be completed.

151.12 (b) Upon a request for assistance or services from an adoptive parent of a minor child,
151.13 birth parent, or an adopted person 18 years of age or older, the agency must inform the
151.14 person:

151.15 (1) about the right of an adopted person to request and obtain a copy of the adopted
151.16 person's original birth record at the age and circumstances specified in section ~~144.2253~~
151.17 144.2252; and

151.18 (2) about the right of the birth parent named on the adopted person's original birth record
151.19 to file a contact preference form with the state registrar pursuant to section 144.2253.

151.20 When making or supervising an adoptive placement, the agency must provide in writing to
151.21 the birth parents listed on the original birth record the information required under this
151.22 paragraph and section 259.37, subdivision 2, clause (7).

151.23 Sec. 160. Minnesota Statutes 2025 Supplement, section 260.65, is amended to read:

151.24 **260.65 NONCUSTODIAL PARENTS; RELATIVE PLACEMENT.**

151.25 (a) Prior to the removal of an African American or a disproportionately represented child
151.26 from the child's home, the responsible social services agency must make active efforts to
151.27 identify and locate the child's noncustodial or nonadjudicated parent and the child's relatives
151.28 to notify the child's parent and relatives that the child is or will be placed in foster care and
151.29 provide the child's parent and relatives with a list of legal resources. The notice to the child's
151.30 noncustodial or nonadjudicated parent and relatives must also include the information
151.31 required under section 260C.221, subdivision 2, paragraph (b). The responsible social
151.32 services agency must maintain detailed records of the agency's efforts to notify parents and
151.33 relatives under this section.

152.1 (b) Notwithstanding the provisions of section 260C.219, the responsible social services
152.2 agency must assess an African American or a disproportionately represented child's
152.3 noncustodial or nonadjudicated parent's ability to care for the child before placing the child
152.4 in foster care. If a child's noncustodial or nonadjudicated parent is willing and able to provide
152.5 daily care for the African American or disproportionately represented child temporarily or
152.6 permanently, the court shall order the child into the home of the noncustodial or
152.7 nonadjudicated parent pursuant to section 260C.178 or 260C.201, subdivision 1. The
152.8 responsible social services agency must make active efforts to assist a noncustodial or
152.9 nonadjudicated parent with remedying any issues that may prevent the child from being
152.10 ordered into the home of a noncustodial or nonadjudicated parent.

152.11 (c) The relative search, notice, engagement, and placement consideration requirements
152.12 under section 260C.221 apply under ~~this act~~ sections 260.61 to 260.693.

152.13 Sec. 161. Minnesota Statutes 2024, section 260.67, subdivision 2, is amended to read:

152.14 **Subd. 2. Termination of parental rights restrictions.** (a) A court shall not terminate
152.15 the parental rights of a parent of an African American or a disproportionately represented
152.16 child based solely on the parent's failure to complete case plan requirements.

152.17 (b) Except as provided in ~~paragraph (e)~~ subdivision 3, a court shall not terminate the
152.18 parental rights of a parent of an African American or a disproportionately represented child
152.19 in a child placement proceeding unless the allegations against the parent involve sexual
152.20 abuse; egregious harm as defined in section 260C.007, subdivision 14; murder in the first,
152.21 second, or third degree under section 609.185, 609.19, or 609.195; murder of an unborn
152.22 child in the first, second, or third degree under section 609.2661, 609.2662, or 609.2663;
152.23 manslaughter of an unborn child in the first or second degree under section 609.2664 or
152.24 609.2665; domestic assault by strangulation under section 609.2247; felony domestic assault
152.25 under section 609.2242 or 609.2243; kidnapping under section 609.25; solicitation,
152.26 inducement, and promotion of prostitution under section 609.322, subdivision 1, and
152.27 subdivision 1a if one or more aggravating factors are present; criminal sexual conduct under
152.28 sections 609.342 to 609.3451; engaging in, hiring, or agreeing to hire a minor to engage in
152.29 prostitution under section 609.324, subdivision 1; solicitation of children to engage in sexual
152.30 conduct under section 609.352; possession of pornographic work involving minors under
152.31 section 617.247; malicious punishment or neglect or endangerment of a child under section
152.32 609.377 or 609.378; use of a minor in sexual performance under section 617.246; or failing
152.33 to protect a child from an overt act or condition that constitutes egregious harm.

153.1 Sec. 162. Minnesota Statutes 2024, section 260C.001, subdivision 1, is amended to read:

153.2 Subdivision 1. **Citation; scope.** (a) Sections 260C.001 to ~~260C.637~~ 260C.635 may be
153.3 cited as the juvenile protection provisions of the Juvenile Court Act.

153.4 (b) Juvenile protection proceedings include:

153.5 (1) a child in need of protection or services matters;

153.6 (2) permanency matters, including termination of parental rights;

153.7 (3) postpermanency reviews under sections 260C.317 and 260C.521; and

153.8 (4) adoption matters including posttermination of parental rights proceedings that review
153.9 the responsible social services agency's reasonable efforts to finalize adoption.

153.10 Sec. 163. Minnesota Statutes 2024, section 260C.4411, subdivision 1, is amended to read:

153.11 Subdivision 1. **Pre-Northstar Care for Children foster care program.** (a) For a child
153.12 placed in family foster care on or before December 31, 2014, the county of financial
153.13 responsibility under section 256G.02 or tribal agency authorized under section 142A.03,
153.14 subdivision 9, shall pay the local share under section 142A.611, subdivision 3, for foster
153.15 care maintenance including any difficulty of care as defined in Minnesota Rules, part
153.16 9560.0521, subparts 7 and 10. Family foster care includes:

153.17 (1) emergency relative placement under section 142B.06;

153.18 (2) licensed foster family settings, foster residence settings, or treatment foster care
153.19 settings, licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, and served by a
153.20 public or private child care agency authorized by Minnesota Rules, parts 9545.0755 to
153.21 ~~9545.0845~~ 9545.0835;

153.22 (3) family foster care homes approved by a tribal agency; and

153.23 (4) unlicensed supervised settings for foster youth ages 18 to 21.

153.24 (b) The county of financial responsibility under section 256G.02 or tribal social services
153.25 agency authorized in section 142A.03, subdivision 9, shall pay the entire cost of any initial
153.26 clothing allowance, administrative payments to child care agencies specified in section
153.27 317A.907, or any other support services it authorizes, except as otherwise provided by law.

153.28 (c) The rates for the pre-Northstar Care for Children foster care program remain those
153.29 in effect on January 1, 2013, continuing the preexisting rate structure for foster children
153.30 who remain with the same caregivers and do not transition into Northstar Care for Children
153.31 under section 142A.604, subdivision 6.

154.1 (d) Difficulty of care payments must be maintained consistent with Minnesota Rules,
154.2 parts 9560.0652 and 9560.0653, using the established reassessment tool in Minnesota Rules,
154.3 part 9560.0654. The preexisting rate structure for the pre-Northstar Care for Children foster
154.4 care program must be maintained, provided that when the number of foster children in the
154.5 program is less than ten percent of the population in 2012, the commissioner may apply the
154.6 same assessment tool to both the pre-Northstar Care for Children foster care program and
154.7 Northstar Care for Children under the authority granted in section 142A.607, subdivision
154.8 2.

154.9 (e) The county of financial responsibility under section 256G.02 or tribal agency
154.10 authorized under section 142A.03, subdivision 9, shall document the determined
154.11 pre-Northstar Care for Children foster care rate in the case record, including a description
154.12 of each condition on which the difficulty of care assessment is based. The difficulty of care
154.13 rate is reassessed:

154.14 (1) every 12 months;

154.15 (2) at the request of the foster parent; or

154.16 (3) if the child's level of need changes in the current foster home.

154.17 (f) The pre-Northstar Care for Children foster care program must maintain the following
154.18 existing program features:

154.19 (1) monthly payments must be made to the family foster home provider;

154.20 (2) notice and appeal procedures must be consistent with Minnesota Rules, part
154.21 9560.0665; and

154.22 (3) medical assistance eligibility for foster children must continue to be determined
154.23 according to section 256B.055.

154.24 (g) The county of financial responsibility under section 256G.02 or tribal agency
154.25 authorized under section 142A.03, subdivision 9, may continue existing program features,
154.26 including:

154.27 (1) establishing a local fund of county money through which the agency may reimburse
154.28 foster parents for the cost of repairing damage done to the home and contents by the foster
154.29 child and the additional care insurance premium cost of a child who possesses a permit or
154.30 license to drive a car; and

154.31 (2) paying a fee for specific services provided by the foster parent, based on the parent's
154.32 skills, experience, or training. This fee must not be considered foster care maintenance.

155.1 (h) The following events end the child's enrollment in the pre-Northstar Care for Children
155.2 foster care program:

155.3 (1) reunification with parent or other relative;

155.4 (2) adoption or transfer of permanent legal and physical custody;

155.5 (3) removal from the current foster home to a different foster home;

155.6 (4) another event that ends the current placement episode; or

155.7 (5) attaining the age of 21.

155.8 Sec. 164. Minnesota Statutes 2024, section 260C.4412, is amended to read:

155.9 **260C.4412 PAYMENT FOR RESIDENTIAL PLACEMENTS.**

155.10 (a) When a child is placed in a foster care group residential setting under Minnesota
155.11 Rules, parts 2960.0020 to 2960.0710, a foster residence licensed under chapter 245A that
155.12 meets the standards of Minnesota Rules, parts 2960.3200 to 2960.3230, or a children's
155.13 residential facility licensed or approved by a tribe, foster care maintenance payments must
155.14 be made on behalf of the child to cover the cost of providing food, clothing, shelter, daily
155.15 supervision, school supplies, child's personal incidentals and supports, reasonable travel for
155.16 visitation, or other transportation needs associated with the items listed. Daily supervision
155.17 in the group residential setting includes routine day-to-day direction and arrangements to
155.18 ensure the well-being and safety of the child. It may also include reasonable costs of
155.19 administration and operation of the facility.

155.20 (b) The commissioner of human services shall specify the title IV-E administrative
155.21 procedures under section 142A.418 for each of the following residential program settings:

155.22 (1) residential programs licensed under chapter 245A or licensed by a tribe, including:

155.23 (i) qualified residential treatment programs as defined in section 260C.007, subdivision
155.24 26d;

155.25 (ii) program settings specializing in providing prenatal, postpartum, or parenting supports
155.26 for youth; and

155.27 (iii) program settings providing high-quality residential care and supportive services to
155.28 children and youth who are, or are at risk of becoming, sex trafficking victims;

155.29 (2) licensed residential family-based substance use disorder treatment programs as
155.30 defined in section 260C.007, subdivision 22a; and

156.1 (3) supervised settings in which a foster child age 18 or older may live independently,
156.2 consistent with section 260C.451.

156.3 (c) A lead contract under section 142A.07, subdivision 6, is not required to establish the
156.4 foster care maintenance payment in paragraph (a) for foster residence settings licensed under
156.5 chapter 245A that meet the standards of Minnesota Rules, parts 2960.3200 to 2960.3230.
156.6 The foster care maintenance payment for these settings must be consistent with section
156.7 142A.609, subdivision 3, and subject to the annual revision as specified in section ~~256N.26,~~
156.8 ~~subdivision 9~~ 142A.609, subdivision 8.

156.9 Sec. 165. Minnesota Statutes 2024, section 260E.17, subdivision 2, is amended to read:

156.10 Subd. 2. **Responsible social service agency.** The responsible agency shall conduct an
156.11 investigation when the report alleges maltreatment in a facility required to be licensed or
156.12 certified under chapter 142B, 142C, 144H, 245A, or 245D, ~~or 245H;~~ under sections 144.50
156.13 to 144.58 and 241.021; in a school as defined in section 120A.05, subdivisions 9, 11, and
156.14 13, and chapter 124E; or in a nonlicensed personal care provider association as defined in
156.15 section 256B.0625, subdivision 19a.

156.16 Sec. 166. Minnesota Statutes 2024, section 260E.33, subdivision 6a, is amended to read:

156.17 Subd. 6a. **Notification of contested case hearing.** When an appeal of a lead investigative
156.18 agency determination results in a contested case hearing under chapter 142B, 245A, or
156.19 245C, the administrative law judge shall notify the parent, legal custodian, or guardian of
156.20 the child who is the subject of the maltreatment determination. The notice must be sent by
156.21 certified mail and inform the parent, legal custodian, or guardian of the child of the right to
156.22 file a signed written statement in the proceedings and the right to attend and participate in
156.23 the hearing. The parent, legal custodian, or guardian of the child may file a written statement
156.24 with the administrative law judge hearing the case no later than five business days before
156.25 commencement of the hearing. The administrative law judge shall include the written
156.26 statement in the hearing record and consider the statement in deciding the appeal. The lead
156.27 investigative agency shall provide to the administrative law judge the address of the parent,
156.28 legal custodian, or guardian of the child. If the lead investigative agency is not reasonably
156.29 able to determine the address of the parent, legal custodian, or guardian of the child, the
156.30 administrative law judge is not required to send a hearing notice under this subdivision.

157.1 Sec. 167. Minnesota Statutes 2024, section 260E.35, subdivision 3, is amended to read:

157.2 Subd. 3. **Classification and release of data.** (a) A written copy of a report maintained
157.3 by personnel of agencies, other than welfare or law enforcement agencies, which are subject
157.4 to chapter 13 shall be confidential. An individual subject of the report may obtain access
157.5 to the original report as provided by paragraphs (g) to (o).

157.6 (b) All reports and records created, collected, or maintained under this chapter by a local
157.7 welfare agency or law enforcement agency may be disclosed to a local welfare or other
157.8 child welfare agency of another state when the agency certifies that:

157.9 (1) the reports and records are necessary to conduct an investigation of actions that would
157.10 qualify as maltreatment under this chapter; and

157.11 (2) the reports and records will be used only for purposes of a child protection assessment
157.12 or investigation and will not be further disclosed to any other person or agency.

157.13 (c) The local welfare agency or law enforcement agency in this state shall keep a record
157.14 of all records or reports disclosed pursuant to this subdivision and of any agency to which
157.15 the records or reports are disclosed. If, in any case, records or reports are disclosed before
157.16 a determination is made under section 260E.24, subdivision 3, paragraph (a), or a disposition
157.17 of a criminal proceeding is reached, the local welfare agency or law enforcement agency
157.18 in this state shall forward the determination or disposition to any agency that has received
157.19 a report or record under this subdivision.

157.20 (d) The responsible authority of a local welfare agency or the responsible authority's
157.21 designee may release private or confidential data on an active case involving assessment
157.22 or investigation of actions that are defined as maltreatment under this chapter to a court
157.23 services agency if:

157.24 (1) the court services agency has an active case involving a common client who is the
157.25 subject of the data; and

157.26 (2) the data are necessary for the court services agency to effectively process the court
157.27 services agency's case, including investigating or performing other duties relating to the
157.28 case required by law.

157.29 (e) The data disclosed under paragraph (d) may be used only for purposes of the active
157.30 court services case described in paragraph (d), clause (1), and may not be further disclosed
157.31 to any other person or agency, except as authorized by law.

158.1 (f) Records maintained under subdivision 46, paragraph (b), may be shared with another
158.2 local welfare agency that requests the information because it is conducting an assessment
158.3 or investigation under this section of the subject of the records.

158.4 (g) Except as provided in paragraphs (b), (h), (i), (o), and (p); subdivision 1; and sections
158.5 260E.22, subdivision 2; and 260E.23, all records concerning individuals maintained by a
158.6 local welfare agency or agency responsible for assessing or investigating the report under
158.7 this chapter, including any written reports filed under sections 260E.06 and 260E.09, shall
158.8 be private data on individuals, except insofar as copies of reports are required by section
158.9 260E.12, subdivision 1 or 2, to be sent to the local police department or the county sheriff.

158.10 (h) All records concerning determinations of maltreatment by a facility are nonpublic
158.11 data as maintained by the Department of Education, except insofar as copies of reports are
158.12 required by section 260E.12, subdivision 1 or 2, to be sent to the local police department
158.13 or the county sheriff.

158.14 (i) Reports maintained by any police department or the county sheriff shall be private
158.15 data on individuals, except the reports shall be made available to the investigating, petitioning,
158.16 or prosecuting authority, including a county medical examiner or county coroner.

158.17 (j) Section 13.82, subdivisions 8, 9, and 14, apply to law enforcement data other than
158.18 the reports.

158.19 (k) The local welfare agency or agency responsible for assessing or investigating the
158.20 report shall make available to the investigating, petitioning, or prosecuting authority,
158.21 including a county medical examiner or county coroner or a professional delegate, any
158.22 records that contain information relating to a specific incident of maltreatment that is under
158.23 investigation, petition, or prosecution and information relating to any prior incident of
158.24 maltreatment involving any of the same persons. The records shall be collected and
158.25 maintained according to chapter 13.

158.26 (l) An individual subject of a record shall have access to the record according to those
158.27 sections, except that the name of the reporter shall be confidential while the report is under
158.28 assessment or investigation except as otherwise permitted by this section.

158.29 (m) Any person conducting an investigation or assessment under this section who
158.30 intentionally discloses the identity of a reporter before the completion of the investigation
158.31 or assessment is guilty of a misdemeanor. After the assessment or investigation is completed,
158.32 the name of the reporter shall be confidential. The subject of the report may compel disclosure
158.33 of the name of the reporter only with the consent of the reporter or upon a written finding
158.34 by the court that the report was false and that there is evidence that the report was made in

159.1 bad faith. This subdivision does not alter disclosure responsibilities or obligations under
159.2 the Rules of Criminal Procedure.

159.3 (n) Upon request of the legislative auditor, data on individuals maintained under this
159.4 chapter must be released to the legislative auditor in order for the auditor to fulfill the
159.5 auditor's duties under section 3.971. The auditor shall maintain the data according to chapter
159.6 13.

159.7 (o) Active law enforcement investigative data received by a local welfare agency or
159.8 agency responsible for assessing or investigating the report under this chapter are confidential
159.9 data on individuals. When this data become inactive in the law enforcement agency, the
159.10 data are private data on individuals.

159.11 (p) Section 13.03, subdivision 4, applies to data received by the commissioner of
159.12 education from a licensing entity.

159.13 Sec. 168. Minnesota Statutes 2024, section 275.011, subdivision 1, is amended to read:

159.14 Subdivision 1. **Determination of levy limit.** The property tax levied for any purpose
159.15 under a special law that is not codified in Minnesota Statutes or a city charter provision and
159.16 that is subject to a mill rate limitation imposed by the special law or city charter provision,
159.17 excluding levies subject to mill rate limitations that use adjusted assessed values determined
159.18 by the commissioner of revenue under ~~section 124.2131~~ sections 127A.48 and 275.1325,
159.19 must not exceed ~~the following amount for the years specified:~~

159.20 ~~(a) for taxes payable in 1988, the product of the applicable mill rate limitation imposed~~
159.21 ~~by special law or city charter provision multiplied by the total assessed valuation of all~~
159.22 ~~taxable property subject to the tax as adjusted by the provisions of Minnesota Statutes 1986,~~
159.23 ~~sections 272.64; 273.13, subdivision 7a; and 275.49;~~

159.24 ~~(b) for taxes payable in 1989, the product of (1) the property tax levy limitation for the~~
159.25 ~~taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market~~
159.26 ~~valuation changes equal to the assessment year 1988 total market valuation of all taxable~~
159.27 ~~property subject to the tax divided by the assessment year 1987 total market valuation of~~
159.28 ~~all taxable property subject to the tax; and~~

159.29 ~~(c) for taxes payable in 1990 and subsequent years, the product of (1) the property tax~~
159.30 ~~levy limitation for the previous year determined pursuant to this subdivision multiplied by~~
159.31 ~~(2) an index for market valuation changes equal to the total market valuation of all taxable~~
159.32 ~~property subject to the tax for the current assessment year divided by the total market~~
159.33 ~~valuation of all taxable property subject to the tax for the previous assessment year.~~

160.1 For the purpose of determining the property tax levy limitation for the taxes payable
160.2 year 2014 and subsequent years under this subdivision, "total market valuation" means the
160.3 estimated market value of all taxable property subject to the tax as provided under section
160.4 273.032.

160.5 Sec. 169. Minnesota Statutes 2024, section 275.011, subdivision 2, is amended to read:

160.6 Subd. 2. **Construction of mill rate levy limit.** A mill rate levy limitation imposed by
160.7 a special law or city charter provision that is presently in effect, excluding those mill rate
160.8 levy limitations that use adjusted assessed values determined by the commissioner of revenue
160.9 under ~~section 124.2131~~ sections 127A.48 and 275.1325, shall be construed to allow no more
160.10 and no less property taxes than the amount determined under this section.

160.11 Sec. 170. Minnesota Statutes 2024, section 290.01, subdivision 19, is amended to read:

160.12 Subd. 19. **Net income.** (a) For a trust or estate taxable under section 290.03, and a
160.13 corporation taxable under section 290.02, the term "net income" means the federal taxable
160.14 income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through
160.15 the date named in this subdivision, incorporating the federal effective dates of changes to
160.16 the Internal Revenue Code and any elections made by the taxpayer in accordance with the
160.17 Internal Revenue Code in determining federal taxable income for federal income tax
160.18 purposes, and with the modifications provided in sections 290.0131 to 290.0136.

160.19 (b) For an individual, the term "net income" means federal adjusted gross income with
160.20 the modifications provided in sections 290.0131, 290.0132, and 290.0135 to 290.0137.

160.21 (c) In the case of a regulated investment company or a fund thereof, as defined in section
160.22 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment
160.23 company taxable income as defined in section 852(b)(2) of the Internal Revenue Code,
160.24 except that:

160.25 (1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal
160.26 Revenue Code does not apply;

160.27 (2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue
160.28 Code must be applied by allowing a deduction for capital gain dividends and exempt-interest
160.29 dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code;
160.30 and

161.1 (3) the deduction for dividends paid must also be applied in the amount of any
161.2 undistributed capital gains which the regulated investment company elects to have treated
161.3 as provided in section 852(b)(3)(D) of the Internal Revenue Code.

161.4 (d) The net income of a real estate investment trust as defined and limited by section
161.5 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust
161.6 taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

161.7 (e) The net income of a designated settlement fund as defined in section 468B(d) of the
161.8 Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal
161.9 Revenue Code.

161.10 (f) The Internal Revenue Code of 1986, as amended through May 1, 2023, applies for
161.11 taxable years beginning after December 31, 1996.

161.12 (g) Except as otherwise provided, references to the Internal Revenue Code in this
161.13 subdivision and sections 290.0131 to 290.0136 mean the code in effect for purposes of
161.14 determining net income for the applicable year.

161.15 (h) In the case of a partnership electing to file a composite return under section 289A.08,
161.16 subdivision 7, "net income" means the partner's share of federal adjusted gross income from
161.17 the partnership modified by the additions provided in section 290.0131, subdivisions 8 to
161.18 10, 16, ~~and 17,~~ and 19, and the subtractions provided in: (1) section 290.0132, subdivisions
161.19 9, 27, ~~and 28,~~ and 31, to the extent the amount is assignable or allocable to Minnesota under
161.20 section 290.17; and (2) section 290.0132, subdivision 14. The subtraction allowed under
161.21 section 290.0132, subdivision 9, is only allowed on the composite tax computation to the
161.22 extent the electing partner would have been allowed the subtraction.

161.23 (i) In the case of a qualifying entity electing to pay the pass-through entity tax under
161.24 section 289A.08, subdivision 7a, "net income" means the qualifying owner's share of federal
161.25 adjusted gross income from the qualifying entity modified by the additions provided in
161.26 section 290.0131, subdivisions 5, 8 to 10, 16, ~~and 17,~~ and 19, and the subtractions provided
161.27 in: (1) section 290.0132, subdivisions 3, 9, 27, ~~and 28,~~ and 31, to the extent the amount is
161.28 assignable or allocable to Minnesota under section 290.17; and (2) section 290.0132,
161.29 subdivision 14. The subtraction allowed under section 290.0132, subdivision 9, is only
161.30 allowed on the pass-through entity tax computation to the extent the qualifying owners
161.31 would have been allowed the subtraction. The income of both a resident and nonresident
161.32 qualifying owner is allocated and assigned to this state as provided for nonresident partners
161.33 and shareholders under sections 290.17, 290.191, and 290.20.

162.1 Sec. 171. Minnesota Statutes 2024, section 290.0132, subdivision 32, is amended to read:

162.2 Subd. 32. **Delayed net operating loss deduction.** The amount of the sum of each addition
162.3 required in section 290.0131, subdivision 20, for each taxable year, except as otherwise
162.4 provided, less the sum of all amounts subtracted under this subdivision in all prior taxable
162.5 years, that does not exceed 80 percent of federal taxable income as defined in section 290.01,
162.6 subdivision 19, paragraph (b), determined without regard to this subdivision, is a subtraction.
162.7 Any excess is a delayed net operating loss deduction carryforward, the entire amount of
162.8 which must be carried to the earliest taxable year. No subtraction under this subdivision is
162.9 allowed after 20 taxable years from the taxable year in which an operating loss arises. The
162.10 sum of the additions required under section 290.0131, subdivision 20, paragraph (a), are
162.11 aggregated and assigned to the taxable year immediately succeeding the taxable year in
162.12 which the operating loss arises, for purposes of determining the subtraction allowed under
162.13 this subdivision in that succeeding taxable year and the amount carried forward.

162.14 Sec. 172. Minnesota Statutes 2024, section 290.095, subdivision 11, is amended to read:

162.15 Subd. 11. **Carryback or carryover adjustments.** (a) Except as provided in paragraphs
162.16 paragraph (c) and (d), for individuals, estates, and trusts the amount of a net operating loss
162.17 that may be carried back or carried over shall be the same dollar amount allowable in the
162.18 determination of federal taxable income, provided that, notwithstanding any other provision,
162.19 estates and trusts must apply the following adjustments to the amount of the net operating
162.20 loss that may be carried back or carried over:

162.21 (1) Nonassignable income or losses as required by section 290.17.

162.22 (2) Deductions not allocable to Minnesota under section 290.17.

162.23 (b) The net operating loss carryback or carryover applied as a deduction in the taxable
162.24 year to which the net operating loss is carried back or carried over shall be equal to the net
162.25 operating loss carryback or carryover applied in the taxable year in arriving at federal taxable
162.26 income provided that trusts and estates must apply the following modifications:

162.27 (1) Increase the amount of carryback or carryover applied in the taxable year by the
162.28 amount of losses and interest, taxes and other expenses not assignable or allowable to
162.29 Minnesota incurred in the taxable year.

162.30 (2) Decrease the amount of carryback or carryover applied in the taxable year by the
162.31 amount of income not assignable to Minnesota earned in the taxable year. For estates and
162.32 trusts, the net operating loss carryback or carryover to the next consecutive taxable year
162.33 shall be the net operating loss carryback or carryover as calculated in clause (b) less the

163.1 amount applied in the earlier taxable year(s). No additional net operating loss carryback or
 163.2 carryover shall be allowed to estates and trusts if the entire amount has been used to offset
 163.3 Minnesota income in a year earlier than was possible on the federal return. However, if a
 163.4 net operating loss carryback or carryover was allowed to offset federal income in a year
 163.5 earlier than was possible on the Minnesota return, an estate or trust shall still be allowed to
 163.6 offset Minnesota income but only if the loss was assignable to Minnesota in the year the
 163.7 loss occurred.

163.8 (c) This paragraph does not apply to eligible small businesses that make a valid election
 163.9 to carry back their losses for federal purposes under section 172(b)(1)(H) of the Internal
 163.10 Revenue Code as amended through March 31, 2009.

163.11 (1) A net operating loss of an individual, estate, or trust that is allowed under this
 163.12 subdivision and for which the taxpayer elects to carry back for more than two years under
 163.13 section 172(b)(1)(H) of the Internal Revenue Code is a net operating loss carryback to each
 163.14 of the two taxable years preceding the loss, and unused portions may be carried forward for
 163.15 20 taxable years after the loss.

163.16 (2) The entire amount of the net operating loss for any taxable year must be carried to
 163.17 the earliest of the taxable years to which the loss may be carried. The portion of the loss
 163.18 which may be carried to each of the other taxable years is the excess, if any, of the amount
 163.19 of the loss over the greater of the taxable net income or alternative minimum taxable income
 163.20 for each of the taxable years to which the loss may be carried.

163.21 ~~(d) The amount of a net operating loss carried forward must be reduced by any amounts~~
 163.22 ~~used for the subtraction in section 290.0132, subdivision 33, in the next taxable year~~
 163.23 ~~following the subtraction in which a net operating loss deduction is claimed.~~

163.24 Sec. 173. Minnesota Statutes 2024, section 295.50, subdivision 4, is amended to read:

163.25 Subd. 4. **Health care provider.** (a) "Health care provider" means:

163.26 (1) a person whose health care occupation is regulated or required to be regulated by
 163.27 the state of Minnesota furnishing any or all of the following goods or services directly to a
 163.28 patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services,
 163.29 drugs, laboratory, diagnostic or therapeutic services;

163.30 (2) a person who provides goods and services not listed in clause (1) that qualify for
 163.31 reimbursement under the medical assistance program provided under chapter 256B;

163.32 (3) a staff model health plan company;

164.1 (4) an ambulance service required to be licensed;

164.2 (5) a person who sells or repairs hearing aids and related equipment or prescription
164.3 eyewear; or

164.4 (6) a person providing patient services, who does not otherwise meet the definition of
164.5 health care provider and is not specifically excluded in clause (b), who employs or contracts
164.6 with a health care provider as defined in clauses (1) to (5) to perform, supervise, otherwise
164.7 oversee, or consult with regarding patient services.

164.8 (b) Health care provider does not include:

164.9 (1) hospitals; medical supplies distributors, except as specified under paragraph (a),
164.10 clause (5); nursing homes licensed under chapter 144A or licensed in any other jurisdiction;
164.11 wholesale drug distributors; pharmacies; surgical centers; bus and taxicab transportation,
164.12 or any other providers of transportation services other than ambulance services required to
164.13 be licensed; supervised living facilities for persons with developmental disabilities, licensed
164.14 under Minnesota Rules, parts 4665.0100 to 4665.9900; ~~housing with services establishments~~
164.15 ~~required to be registered under chapter 144D~~ assisted living facilities required to be licensed
164.16 under chapter 144G; board and lodging establishments providing only custodial services
164.17 that are licensed under chapter 157 and registered under section 157.17 to provide supportive
164.18 services or health supervision services; adult foster homes as defined in Minnesota Rules,
164.19 part 9555.5105; day training and habilitation services for adults with developmental
164.20 disabilities as defined in section 252.41, subdivision 3; boarding care homes, as defined in
164.21 Minnesota Rules, part 4655.0100; and adult day care centers as defined in Minnesota Rules,
164.22 part 9555.9600;

164.23 (2) home health agencies as defined in Minnesota Rules, part 9505.0175, subpart 15; a
164.24 person providing personal care services and supervision of personal care services ~~as defined~~
164.25 ~~in Minnesota Rules, part 9505.0335~~ under sections 256B.0625, subdivision 19a, and 256B.85;
164.26 a person providing home care nursing services as defined in Minnesota Rules, part 9505.0360;
164.27 and home care providers required to be licensed under chapter 144A for home care services
164.28 provided under chapter 144A;

164.29 (3) a person who employs health care providers solely for the purpose of providing
164.30 patient services to its employees;

164.31 (4) an educational institution that employs health care providers solely for the purpose
164.32 of providing patient services to its students if the institution does not receive fee for service
164.33 payments or payments for extended coverage; and

165.1 (5) a person who receives all payments for patient services from health care providers,
165.2 surgical centers, or hospitals for goods and services that are taxable to the paying health
165.3 care providers, surgical centers, or hospitals, as provided under section 295.53, subdivision
165.4 1, paragraph (b), clause (3) or (4), or from a source of funds that is excluded or exempt from
165.5 tax under sections 295.50 to 295.59.

165.6 Sec. 174. Minnesota Statutes 2024, section 295.81, subdivision 1, is amended to read:

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

165.9 (b) "Bundled transaction" means the retail sale of two or more products when the products
165.10 are otherwise distinct and identifiable and the products are sold for one nonitemized price.

165.11 (c) "Cannabis flower" has the meaning given in section 342.01, subdivision 16.

165.12 (d) "Cannabis product" has the meaning given in section 342.01, subdivision 20.

165.13 (e) "Cannabis solution product" means any cartridge, bottle, or other package that contains
165.14 a taxable cannabis product in a solution that is consumed or meant to be consumed through
165.15 the use of a heating element, power source, electronic circuit, or other electronic, chemical,
165.16 or mechanical means that produces vapor or aerosol. A cannabis solution product includes
165.17 any electronic delivery system, electronic vaping device, electronic vape pen, electronic
165.18 oral device, electronic delivery device, or similar product or device, and any batteries,
165.19 heating elements, or other components, parts, or accessories sold with and meant to be used
165.20 in the consumption of a solution containing a taxable cannabis product.

165.21 (f) "Cannabis mezzobusiness" means a cannabis business licensed under section 342.29.

165.22 (g) "Cannabis microbusiness" means a cannabis business licensed under section 342.28.

165.23 (h) "Cannabis retailer" means a cannabis business licensed under section 342.32.

165.24 (i) "Commissioner" means the commissioner of revenue.

165.25 (j) "Gross receipts" means the total amount received in money or by barter or exchange
165.26 for all taxable cannabis product sales at retail as measured by the sales price. Gross receipts
165.27 include but are not limited to delivery charges and packaging costs. Gross receipts do not
165.28 include:

165.29 (1) any taxes imposed directly on the customer that are separately stated on the invoice,
165.30 bill of sale, or similar document given to the purchaser; and

166.1 (2) discounts, including cash, terms, or coupons, that are not reimbursed by a third party
166.2 and that are allowed by the seller and taken by a purchaser on a sale.

166.3 (k) "Hemp-derived consumer product" has the meaning given in section 342.01,
166.4 subdivision 37.

166.5 (l) "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision
166.6 50.

166.7 (m) "Lower-potency hemp edible retailer" means a cannabis business licensed under
166.8 section 342.43, subdivision 1, clause (2).

166.9 (n) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 54.

166.10 (o) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision
166.11 52.

166.12 (p) "Medical cannabis paraphernalia" has the meaning given in section 342.01,
166.13 subdivision ~~55~~ 54a.

166.14 (q) "Retail sale" has the meaning given in section 297A.61, subdivision 4.

166.15 (r) "Taxable cannabis product" means cannabis flower, cannabis product, cannabis
166.16 solution product, hemp-derived consumer product, lower-potency hemp edible, and any
166.17 substantially similar item.

166.18 (s) "Taxable cannabis product retailer" means a retailer that sells any taxable cannabis
166.19 product, and includes a cannabis retailer, cannabis microbusiness, cannabis mezzobusiness,
166.20 medical cannabis combination business, and lower-potency hemp edible retailer. Taxable
166.21 cannabis product retailer includes but is not limited to a:

166.22 (1) retailer maintaining a place of business in this state;

166.23 (2) marketplace provider maintaining a place of business in this state, as defined in
166.24 section 297A.66, subdivision 1, paragraph (a);

166.25 (3) retailer not maintaining a place of business in this state; and

166.26 (4) marketplace provider not maintaining a place of business in this state, as defined in
166.27 section 297A.66, subdivision 1, paragraph (b).

166.28 Sec. 175. Minnesota Statutes 2024, section 296A.06, subdivision 1, is amended to read:

166.29 Subdivision 1. **Revocation of license, ~~permit, or certificate~~.** If any person fails to
166.30 comply with this chapter or the rules adopted under this chapter, without reasonable cause,
166.31 the commissioner may give the person 30 days' notice in writing, specifying the violations,

167.1 and stating that based upon such violations the commissioner intends to revoke the person's
167.2 license, ~~permit, or certificate~~. The notice shall also advise the person of the person's right
167.3 to contest the revocation under this section and the general procedures for a contested case
167.4 hearing under chapter 14. The notice may be served personally or by mail in the manner
167.5 prescribed for service of an order of assessment. A license, ~~permit, or certificate~~ is revoked
167.6 when the commissioner serves a notice of revocation upon the person after 30 days have
167.7 passed following the date of the notice of intent to revoke without the person requesting a
167.8 hearing. If a hearing is timely requested and held, the license, ~~permit, or certificate~~ is revoked
167.9 after the commissioner serves an order of revocation under section 14.62, subdivision 1.

167.10 Sec. 176. Minnesota Statutes 2024, section 297A.9915, subdivision 5, is amended to read:

167.11 Subd. 5. **Revenue bonds.** (a) In addition to other authority granted in this section, and
167.12 notwithstanding section 473.39, subdivision 7, or any other law to the contrary, the council
167.13 may, by resolution, authorize the sale and issuance of revenue bonds, notes, or obligations
167.14 to provide funds to (1) implement the council's transit capital improvement program, and
167.15 (2) refund bonds issued under this subdivision.

167.16 (b) The bonds are payable from and secured by a pledge of all or part of the revenue
167.17 received under subdivision 4, paragraph (a), clause (1), and associated investment earnings
167.18 on debt proceeds. The council may, by resolution, authorize the issuance of the bonds as
167.19 general obligations of the council. The bonds must be sold, issued, and secured in the manner
167.20 provided in chapter 475, and the council has the same powers and duties as a municipality
167.21 and its governing body in issuing bonds under chapter 475, except that no election is required
167.22 and the net debt limitations in chapter 475 do not apply to such bonds. The proceeds of the
167.23 bonds may also be used to fund necessary reserves and to pay credit enhancement fees,
167.24 issuance costs, and other financing costs during the life of the debt.

167.25 (c) The bonds may be secured by a bond resolution, or a trust indenture entered into by
167.26 the council with a corporate trustee within or outside the state, which must define the
167.27 revenues and bond proceeds pledged for the payment and security of the bonds. The pledge
167.28 must be a valid charge on the revenues received under section 297A.99, subdivision 11.
167.29 Neither the state, nor any municipality or political subdivision except the council, nor any
167.30 member or officer or employee of the council, is liable on the obligations. No mortgage or
167.31 security interest in any tangible real or personal property is granted to the bondholders or
167.32 the trustee, but they have a valid security interest in the revenues and bond proceeds received
167.33 by the council and pledged to the payment of the bonds. In the bond resolution or trust

168.1 indenture, the council may make such covenants as it determines to be reasonable for the
168.2 protection of the bondholders.

168.3 Sec. 177. Minnesota Statutes 2024, section 297I.20, subdivision 1, is amended to read:

168.4 Subdivision 1. **Guaranty association assessment offsets.** (a) An insurance company
168.5 or health maintenance organization may offset against its premium tax liability to this state
168.6 any amount paid for assessments made for insolvencies under sections 60C.01 to 60C.22;
168.7 and any amount paid for assessments under sections 61B.18 to 61B.32 as follows:

168.8 (1) Each such assessment shall give rise to an amount of offset equal to 20 percent of
168.9 the amount of the assessment for each of the five calendar years following the year in which
168.10 the assessment was paid.

168.11 (2) The amount of offset initially determined for each taxable year is the sum of the
168.12 amounts determined under clause (1) for that taxable year.

168.13 (b)(1) Each year the commissioner shall compare total guaranty association assessments
168.14 levied over the preceding five calendar years to the sum of all premium tax and corporate
168.15 franchise tax revenues collected from insurance companies and health maintenance
168.16 organizations, without reduction for any guaranty association assessment offset in the
168.17 preceding calendar year, referred to in this subdivision as "preceding year insurance tax
168.18 revenues."

168.19 (2) If total guaranty association assessments levied over the preceding five years exceed
168.20 the preceding year insurance tax revenues, insurance companies and health maintenance
168.21 organizations must be allowed only a proportionate part of the premium tax offset calculated
168.22 under paragraph (a) for the current calendar year.

168.23 (3) The proportionate part of the premium tax offset allowed in the current calendar year
168.24 is determined by multiplying the amount calculated under paragraph (a) by a fraction. The
168.25 numerator of the fraction equals the preceding year insurance tax revenues, and its
168.26 denominator equals total guaranty association assessments levied over the preceding five-year
168.27 period.

168.28 (4) The proportionate part of the premium tax offset that is not allowed must be carried
168.29 forward to subsequent tax years and added to the amount of premium tax offset calculated
168.30 under paragraph (a) prior to application of the limitation imposed by this paragraph.

168.31 (5) Any amount carried forward from prior years must be allowed before allowance of
168.32 the offset for the current year calculated under paragraph (a).

169.1 (6) The premium tax offset limitation must be calculated separately for (i) insurance
169.2 companies subject to assessment under sections 60C.01 to 60C.22, and (ii) insurance
169.3 companies or health maintenance organizations subject to assessment under sections 61B.18
169.4 to 61B.32.

169.5 (7) When the premium tax offset is limited by this provision, the commissioner shall
169.6 notify affected insurance companies or health maintenance organizations on a timely basis
169.7 for purposes of completing premium and corporate franchise tax returns.

169.8 (8) The guaranty associations created under sections 60C.01 to 60C.22 and 61B.18 to
169.9 61B.32 shall provide the commissioner with the necessary information on guaranty
169.10 association assessments.

169.11 (c)(1) If the offset determined by the application of paragraphs (a) and (b) exceeds the
169.12 insurance company's or health maintenance organization's premium tax liability under this
169.13 ~~section~~ chapter prior to allowance of the credit for premium taxes, then the insurance
169.14 company or health maintenance organization may carry forward the excess, referred to in
169.15 this subdivision as the "carryforward credit" to subsequent taxable years.

169.16 (2) The carryforward credit is allowed as an offset against premium tax liability for the
169.17 first succeeding year to the extent that the premium tax liability for that year exceeds the
169.18 amount of the allowable offset for the year determined under paragraphs (a) and (b).

169.19 (3) The carryforward credit must be reduced, but not below zero, by the amount of the
169.20 carryforward credit allowed as an offset against the premium tax under this paragraph. The
169.21 remainder, if any, of the carryforward credit must be carried forward to succeeding taxable
169.22 years until the entire carryforward credit has been credited against the insurance company's
169.23 or health maintenance organization's liability for premium tax under this chapter if applicable
169.24 for that taxable year.

169.25 (d) When an insurer or health maintenance organization has offset against taxes its
169.26 payment of an assessment of the Minnesota Life and Health Guaranty Association, and the
169.27 association pays the insurer or health maintenance organization a refund with respect to the
169.28 assessment under section 61B.24, subdivision 6, then the refund reduces the insurer's or
169.29 health maintenance organization's carryforward credit under paragraph (c). If the refund
169.30 exceeds the amount of the carryforward credit, the excess amount must be repaid to the
169.31 state by the insurers or health maintenance organizations to the extent of the offset in the
169.32 manner the commissioner requires.

170.1 Sec. 178. Minnesota Statutes 2024, section 297I.20, subdivision 3, is amended to read:

170.2 Subd. 3. **Historic structure rehabilitation credit.** An insurance company may claim
170.3 a credit against the premiums tax imposed under this chapter equal to the amount of the
170.4 credit certificate issued to it, or to a person who has assigned the credit to the insurance
170.5 company, under section 290.0681. If the amount of the credit exceeds the liability for tax
170.6 under this chapter, the commissioner shall refund the excess to the insurance company. An
170.7 amount sufficient to pay the refunds under this ~~section~~ subdivision is appropriated to the
170.8 commissioner from the general fund. This credit does not affect the calculation of fire state
170.9 aid under section 477B.03 and police state aid under section 477C.03.

170.10 Sec. 179. Minnesota Statutes 2025 Supplement, section 297I.20, subdivision 7, is amended
170.11 to read:

170.12 Subd. 7. **Reinsurance credit.** Beginning with taxable years after December 31, 2028,
170.13 a taxpayer may claim a credit against the premiums tax imposed under this chapter equal
170.14 to the amount of the assessment paid by the taxpayer under section 62E.23 in the immediately
170.15 preceding calendar year. If the amount of the credit exceeds the liability for tax under this
170.16 chapter, the commissioner must refund the excess to the insurance company. An amount
170.17 sufficient to pay the refunds under this ~~section~~ subdivision is appropriated to the
170.18 commissioner from the general fund. The credit under this subdivision does not affect the
170.19 calculation of fire state aid under section 477B.03 and police state aid under section 477C.03.
170.20 The commissioner of commerce must annually provide to the commissioner a list of
170.21 assessments paid by taxpayers under section 62E.23 by March 1 of the calendar year
170.22 following the assessment.

170.23 Sec. 180. Minnesota Statutes 2024, section 298.75, subdivision 2, is amended to read:

170.24 Subd. 2. **Tax imposed.** (a) ~~Except as provided in paragraph (e),~~ A county that imposes
170.25 the aggregate production tax shall impose upon every operator a production tax of 21.5
170.26 cents per cubic yard or 15 cents per ton of aggregate material excavated in the county except
170.27 that the county board may decide not to impose this tax if it determines that in the previous
170.28 year operators removed less than 20,000 tons or 14,000 cubic yards of aggregate material
170.29 from that county. The tax shall not be imposed on aggregate material excavated in the county
170.30 until the aggregate material is transported from the extraction site or sold, whichever occurs
170.31 first. When aggregate material is stored in a stockpile within the state of Minnesota and a
170.32 public highway, road or street is not used for transporting the aggregate material, the tax

171.1 shall not be imposed until either when the aggregate material is sold, or when it is transported
171.2 from the stockpile site, or when it is used from the stockpile, whichever occurs first.

171.3 ~~(b) Except as provided in paragraph (e),~~ A county that imposes the aggregate production
171.4 tax under paragraph (a) shall impose upon every importer a production tax of 21.5 cents
171.5 per cubic yard or 15 cents per ton of aggregate material imported into the county. The tax
171.6 shall be imposed when the aggregate material is imported from the extraction site or sold.
171.7 When imported aggregate material is stored in a stockpile within the state of Minnesota and
171.8 a public highway, road, or street is not used for transporting the aggregate material, the tax
171.9 shall be imposed either when the aggregate material is sold, when it is transported from the
171.10 stockpile site, or when it is used from the stockpile, whichever occurs first. The tax shall
171.11 be imposed on an importer when the aggregate material is imported into the county that
171.12 imposes the tax.

171.13 (c) If the aggregate material is transported directly from the extraction site to a waterway,
171.14 railway, or another mode of transportation other than a highway, road or street, the tax
171.15 imposed by this section shall be apportioned equally between the county where the aggregate
171.16 material is extracted and the county to which the aggregate material is originally transported.
171.17 If that destination is not located in Minnesota, then the county where the aggregate material
171.18 was extracted shall receive all of the proceeds of the tax.

171.19 (d) A county, city, or town that receives revenue under this section is prohibited from
171.20 imposing any additional host community fees on aggregate production within that county,
171.21 city, or town.

171.22 ~~(e) A county that borders two other states and that is not contiguous to a county that~~
171.23 ~~imposes a tax under this section may impose the taxes under paragraphs (a) and (b) at the~~
171.24 ~~rate of ten cents per cubic yard or seven cents per ton. This paragraph expires December~~
171.25 ~~31, 2024.~~

171.26 Sec. 181. Minnesota Statutes 2025 Supplement, section 299C.061, subdivision 1, is
171.27 amended to read:

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

171.30 (b) "Fraud involving state funded or administered programs or services" includes any
171.31 violation of section 609.445, 609.465, 609.466, 609.52, ~~609.5523~~, 609.611, 609.651,
171.32 609.7475, or 609.821 involving a state agency or state-funded or administered program or
171.33 service.

172.1 (c) "Peace officer" has the meaning given in section 626.84, subdivision 1, paragraph
172.2 (c).

172.3 (d) "Section" means the Financial Crimes and Fraud Section of the Bureau of Criminal
172.4 Apprehension.

172.5 (e) "State agency" has the meaning given in section 13.02, subdivision 17.

172.6 (f) "Superintendent" means the superintendent of the Bureau of Criminal Apprehension.

172.7 Sec. 182. Minnesota Statutes 2024, section 309.531, subdivision 2, is amended to read:

172.8 Subd. 2. **Required registration statement.** The registration statement of the professional
172.9 fundraiser shall consist of the following:

172.10 ~~(a)~~ (1) If the professional fundraiser at any time has custody of or access to contributions
172.11 from a solicitation, or if any person the professional fundraiser employs, obtains, or engages
172.12 has custody of or access to contributions from a solicitation, the registration statement shall
172.13 include a bond, in which the professional fundraiser shall be the principal obligor. The bond
172.14 shall be in the sum of \$20,000, with one or more responsible sureties whose liability in the
172.15 aggregate as the sureties will at least equal that sum. In order to maintain the registration,
172.16 the bond shall be in effect for the full term of the registration. The bond, which may be in
172.17 the form of a rider to a larger blanket liability bond, shall run to the state and to any person
172.18 who may have a cause of action against the principal obligor of the bond for any liabilities
172.19 resulting from the obligor's conduct of any activities subject to sections 309.50 to 309.61
172.20 or arising out of a violation of the statutes or a rule adopted under the statutes.

172.21 ~~(b)~~ (2) If the professional fundraiser, or any person the professional fundraiser employs,
172.22 procures, or engages, solicits in this state, the registration statement shall include a completed
172.23 "solicitation notice" on a form provided by the attorney general. The solicitation notice shall
172.24 include a copy of the contract described in ~~paragraph (e)~~ clause (3), the projected dates
172.25 when soliciting will commence and terminate, the location and telephone number from
172.26 where the solicitation will be conducted, the name and residence address of each person
172.27 responsible for directing and supervising the conduct of the campaign, a statement as to
172.28 whether the professional fundraiser will at any time have custody of contributions, and a
172.29 description of the charitable program for which the solicitation campaign is being carried
172.30 out. The charitable organization on whose behalf the professional fundraiser is acting shall
172.31 certify that the solicitation notice and accompanying material are true and complete to the
172.32 best of its knowledge.

173.1 ~~(e)~~ (3) The professional fundraiser shall also include, as part of the registration statement,
 173.2 a copy of the contract between the charitable organization and the professional fundraiser.
 173.3 The contract shall:

173.4 ~~(1)~~ (i) be in writing;

173.5 ~~(2)~~ (ii) contain information as will enable the attorney general to identify the services
 173.6 the professional fundraiser is to provide, including whether the professional fundraiser will
 173.7 at any time have custody of contributions; and

173.8 ~~(3)~~ (iii) if the professional fundraiser or any person the professional fundraiser employs,
 173.9 procures, or engages, directly or indirectly, solicits in this state, ~~the contract shall~~ disclose
 173.10 the percentage or a reasonable estimate of the percentage of the total amount solicited from
 173.11 each person which shall be received by the charitable organization for charitable purposes.

173.12 The stated percentages required by this section and section 309.556, subdivision 2, shall
 173.13 exclude any amount which the charitable organization is to pay as expenses of the solicitation
 173.14 campaign, including the cost of merchandise or services sold or events staged.

173.15 ~~(d)~~ (4) The registration statement shall also include the financial report for previous
 173.16 campaigns conducted by the professional fundraiser in this state as set forth in subdivision
 173.17 4.

173.18 Sec. 183. Minnesota Statutes 2024, section 321.1109, is amended to read:

173.19 **321.1109 EFFECT OF MERGER.**

173.20 (a) When a merger becomes effective:

173.21 (1) the surviving organization continues or comes into existence;

173.22 (2) each constituent organization that merges into the surviving organization ceases to
 173.23 exist as a separate entity;

173.24 (3) all property owned by each constituent organization that ceases to exist vest in the
 173.25 surviving organization;

173.26 (4) all debts, liabilities, and other obligations of each constituent organization that ceases
 173.27 to exist continue as obligations of the surviving organization;

173.28 (5) an action or proceeding pending by or against any constituent organization that ceases
 173.29 to exist may be continued as if the merger had not occurred;

174.1 (6) except as prohibited by other law, all of the rights, privileges, immunities, powers,
174.2 and purposes of each constituent organization that ceases to exist vest in the surviving
174.3 organization;

174.4 (7) except as otherwise provided in the plan of merger, the terms and conditions of the
174.5 plan of merger take effect; ~~and~~

174.6 (8) except as otherwise agreed, if a constituent limited partnership ceases to exist, the
174.7 merger does not dissolve the limited partnership for the purposes of article 8;

174.8 (9) if the surviving organization is created by the merger:

174.9 (A) if it is a limited partnership, the certificate of limited partnership becomes effective;
174.10 or

174.11 (B) if it is an organization other than a limited partnership, the organizational document
174.12 that creates the organization becomes effective; and

174.13 (10) if the surviving organization preexists the merger, any amendments provided for
174.14 in the articles of merger for the organizational document that created the organization become
174.15 effective.

174.16 (b) A surviving organization that is a foreign organization consents to the jurisdiction
174.17 of the courts of this state to enforce any obligation owed by a constituent organization, if
174.18 before the merger the constituent organization was subject to suit in this state on the
174.19 obligation. A surviving organization that is a foreign organization and not authorized to
174.20 transact business in this state appoints the secretary of state as its agent for service of process
174.21 for the purposes of enforcing an obligation under this subsection. Service on the secretary
174.22 of state under this subsection is made in the same manner and with the same consequences
174.23 as in section 321.0117(c) and (d).

174.24 Sec. 184. Minnesota Statutes 2024, section 325F.071, subdivision 1, is amended to read:

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

174.27 (b) "Child" means a person under 12 years of age.

174.28 (c) "Children's product" means a product primarily designed or intended by a
174.29 manufacturer to be used by or for a child, including any article used as a component of such
174.30 a product, but excluding a food, beverage, dietary supplement, pharmaceutical product or
174.31 biologic, children's toys that are subject to the most recent version of the American Society
174.32 for Testing and Materials F963, Standard Consumer Safety Specification for Toy Safety, a

175.1 medical device as defined in the Federal Food, Drug, and Cosmetic Act, United States Code,
175.2 title 21, section 321(h), and products listed under section 116.9405, clauses (10) and (11);
175.3 ~~and products listed under sections 325F.03 and 325F.04.~~

175.4 (d) "Upholstered residential furniture" means furniture with padding, coverings, and
175.5 cushions intended and sold for use in the home.

175.6 (e) "Mattress" means a mattress as defined in Code of Federal Regulations, title 16,
175.7 section 1632.1.

175.8 (f) "Organohalogenated chemical" means any chemical that contains one or more carbon
175.9 elements and one or more halogen elements, including fluorine, chlorine, bromine, or iodine.

175.10 (g) "Residential textile" means a textile designed for use in the home as a covering on
175.11 windows or walls.

175.12 Sec. 185. Minnesota Statutes 2024, section 327B.04, subdivision 8, is amended to read:

175.13 Subd. 8. **Limited dealer's license.** The commissioner shall issue a limited dealer's license
175.14 to an owner of a manufactured home park authorizing the licensee as principal only to
175.15 engage in the sale, offering for sale, soliciting, or advertising the sale of used manufactured
175.16 homes located in the owned manufactured home park. The licensee must be the title holder
175.17 of the homes and may engage in no more than ten sales during each year of the two-year
175.18 licensure period. An owner may, upon payment of the applicable fee and compliance with
175.19 this subdivision, obtain a separate license for each owned manufactured home park and is
175.20 entitled to sell up to 20 homes per license period provided that only one limited dealer
175.21 license may be issued for each park. The license shall be issued after:

175.22 (1) receipt of an application on forms provided by the commissioner containing the
175.23 following information:

175.24 (i) the identity of the applicant;

175.25 (ii) the name under which the applicant will be licensed and do business in this state;

175.26 (iii) the name and address of the owned manufactured home park, including a copy of
175.27 the park license, serving as the basis for the issuance of the license;

175.28 (iv) the name, home, and business address of the applicant;

175.29 (v) the name, address, and telephone number of one individual that is designated by the
175.30 applicant to receive all communications and cooperate with all inspections and investigations
175.31 of the commissioner pertaining to the sale of manufactured homes in the manufactured
175.32 home park owned by the applicant;

176.1 (vi) whether the applicant or its designated individual has been convicted of a crime
 176.2 within the previous ten years that is either related directly to the business for which the
 176.3 license is sought or involved fraud, misrepresentation or misuse of funds, or has suffered a
 176.4 judgment in a civil action involving fraud, misrepresentation, or conversion within the
 176.5 previous five years or has had any government license or permit suspended or revoked as
 176.6 a result of an action brought by a federal or state governmental agency in this or any other
 176.7 state within the last five years; and

176.8 (vii) the applicant's qualifications and business history, including whether the applicant
 176.9 or its designated individual has ever been adjudged bankrupt or insolvent, or has any
 176.10 unsatisfied court judgments outstanding against it or them;

176.11 (2) payment of the license fee established by subdivision 7a; and

176.12 (3) provision of a surety bond in the amount of \$5,000. A separate surety bond must be
 176.13 provided for each limited license.

176.14 The applicant need not comply with subdivision 4, paragraph (e). The holding of a
 176.15 limited dealer's license does not satisfy the requirement contained in subdivision 4, paragraph
 176.16 (e), for the licensee or salespersons with respect to obtaining a dealer license. The
 176.17 commissioner may, upon application for a renewal of a license, require only a verification
 176.18 that copies of sales documents have been retained and payment of the renewal fees established
 176.19 by section 326B.092. "Sales documents" mean only the safety feature disclosure notice of
 176.20 compliance form defined in under section 327C.07, subdivision 3a 327.32, subdivision 1a,
 176.21 title of the home, financing agreements, and purchase agreements.

176.22 The license holder shall, upon request of the commissioner, make available for inspection
 176.23 during business hours sales documents required to be retained under this subdivision.

176.24 Sec. 186. Minnesota Statutes 2024, section 332.30, is amended to read:

176.25 **332.30 ACCELERATED MORTGAGE PAYMENT PROVIDER; BOND**
 176.26 **REQUIREMENTS.**

176.27 (a) Before beginning business in this state, an accelerated mortgage payment provider,
 176.28 as defined in section 332A.02, subdivision 8, clause ~~(9)~~ (10), shall submit to the
 176.29 commissioner of commerce an authorization fee of \$250 and either:

176.30 (1) a surety bond in which the accelerated mortgage payment provider is the obligor, in
 176.31 an amount determined by the commissioner; or

176.32 (2) if the commissioner agrees to accept it, a deposit:

177.1 (i) in cash in an amount equivalent to the bond amount; or

177.2 (ii) of authorized securities, as defined in section 50.14, with an aggregate market value
177.3 equal to the bond amount. The cash or securities must be deposited with the commissioner
177.4 of management and budget.

177.5 (b) The amount of the bond required by the commissioner shall vary with the amount
177.6 of Minnesota client funds held or to be held by the obligor. For new businesses, the bond
177.7 must be no less than \$100,000, except as provided in section 332.301. The commissioner
177.8 may increase the required bond amount upon 30 days' notice to the accelerated mortgage
177.9 payment provider.

177.10 (c) If a bond is submitted, it must name as surety an insurance company authorized to
177.11 transact fidelity and surety business in this state. The bond must run to the state of Minnesota
177.12 for the use of the state and of any person who may have a claim against the obligor arising
177.13 out of the obligor's activities as an accelerated mortgage payment provider. The bond must
177.14 be conditioned that the obligor will not commit any fraudulent act and will faithfully conform
177.15 to and abide by the provisions of accelerated mortgage payment agreements with Minnesota
177.16 residents.

177.17 (d) If an accelerated mortgage payment provider has failed to account to a mortgagor
177.18 or distribute funds to the mortgagee as required by an accelerated mortgage payment
177.19 agreement, the mortgagor or the mortgagor's legal representative or receiver or the
177.20 commissioner shall have, in addition to any other legal remedies, a right of action in the
177.21 name of the debtor on the bond or the security given pursuant to this section.

177.22 (e) Section 58A.04, subdivisions 2 and 3, apply to this section.

177.23 Sec. 187. Minnesota Statutes 2024, section 336.7-209, is amended to read:

177.24 **336.7-209 LIEN OF WAREHOUSE.**

177.25 (a) A warehouse has a lien against the bailor on the goods covered by a warehouse receipt
177.26 or storage agreement or on the proceeds thereof in its possession for charges for storage or
177.27 transportation, including demurrage and terminal charges, insurance, labor, or other charges,
177.28 present or future, in relation to the goods, and for expenses necessary for preservation of
177.29 the goods or reasonably incurred in their sale pursuant to law. If the person on whose account
177.30 the goods are held is liable for similar charges or expenses in relation to other goods whenever
177.31 deposited and it is stated in the warehouse receipt or storage agreement that a lien is claimed
177.32 for charges and expenses in relation to other goods, the warehouse also has a lien against
177.33 the goods covered by the warehouse receipt or storage agreement or on the proceeds thereof

178.1 in its possession for those charges and expenses, whether or not the other goods have been
178.2 delivered by the warehouse. However, as against a person to which a negotiable warehouse
178.3 receipt is duly negotiated, a warehouse's lien is limited to charges in an amount or at a rate
178.4 specified in the warehouse receipt or, if no charges are so specified, to a reasonable charge
178.5 for storage of the specific goods covered by the receipt subsequent to the date of the receipt.

178.6 (b) A warehouse may also reserve a security interest against the bailor for the maximum
178.7 amount specified on the receipt for charges other than those specified in subsection (a),
178.8 such as for money advanced and interest. The security interest is governed by article 9.

178.9 (c) A warehouse's lien for charges and expenses under subsection (a) or a security interest
178.10 under subsection (b) is also effective against any person that so entrusted the bailor with
178.11 possession of the goods that a pledge of them by the bailor to a good faith purchaser for
178.12 value would have been valid. However, the lien or security interest is not effective against
178.13 a person that before issuance of a document of title had a legal interest or a perfected security
178.14 interest in the goods and that did not:

178.15 (1) deliver or entrust the goods or any document of title covering the goods to the bailor
178.16 or the bailor's nominee with:

178.17 (A) actual or apparent authority to ship, store, or sell;

178.18 (B) power to obtain delivery under section 336.7-403; or

178.19 (C) power of disposition under section 336.2-403, 336.2A-304(2), 336.2A-305(2),
178.20 336.9-320, or 336.9-321(c) or other statute or rule of law; or

178.21 (2) acquiesce in the procurement by the bailor or its nominee of any document.

178.22 (d) A warehouse's lien on household goods for charges and expenses in relation to the
178.23 goods under subsection (a) is also effective against all persons if the depositor was the legal
178.24 possessor of the goods at the time of deposit. In this subsection, "household goods" means
178.25 furniture, furnishings, or personal effects used by the depositor in a dwelling.

178.26 (e) A warehouse loses its lien on any goods that it voluntarily delivers or unjustifiably
178.27 refuses to deliver.

178.28 Sec. 188. Minnesota Statutes 2024, section 336.9-317, is amended to read:

178.29 **336.9-317 INTERESTS THAT TAKE PRIORITY OVER OR TAKE FREE OF**
178.30 **SECURITY INTEREST OR AGRICULTURAL LIEN.**

178.31 (a) **Conflicting security interests and rights of lien creditors.** A security interest or
178.32 agricultural lien is subordinate to the rights of:

179.1 (1) a person entitled to priority under section 336.9-322; and

179.2 (2) except as otherwise provided in subsection (e), a person that becomes a lien creditor
179.3 before the earlier of the time:

179.4 (A) the security interest or agricultural lien is perfected; or

179.5 (B) one of the conditions specified in section 336.9-203(b)(3) is met and a financing
179.6 statement covering the collateral is filed.

179.7 (b) **Buyers that receive delivery.** Except as otherwise provided in subsection (e), a
179.8 buyer, other than a secured party, of goods, instruments, tangible documents, or a certificated
179.9 security ~~certificate~~ takes free of a security interest or agricultural lien if the buyer gives
179.10 value and receives delivery of the collateral without knowledge of the security interest or
179.11 agricultural lien and before it is perfected.

179.12 (c) **Lessees that receive delivery.** Except as otherwise provided in subsection (e), a
179.13 lessee of goods takes free of a security interest or agricultural lien if the lessee gives value
179.14 and receives delivery of the collateral without knowledge of the security interest or
179.15 agricultural lien and before it is perfected.

179.16 (d) **Licensees and buyers of certain collateral.** Subject to subsections (f) through (i),
179.17 a licensee of a general intangible or a buyer, other than a secured party, of collateral other
179.18 than electronic money, goods, instruments, tangible documents, or a certificated security
179.19 takes free of a security interest if the licensee or buyer gives value without knowledge of
179.20 the security interest and before it is perfected.

179.21 (e) **Purchase-money security interest.** Except as otherwise provided in sections
179.22 336.9-320 and 336.9-321, if a person files a financing statement with respect to a
179.23 purchase-money security interest before or within 20 days after the debtor receives delivery
179.24 of the collateral, the security interest takes priority over the rights of a buyer, lessee, or lien
179.25 creditor which arise between the time the security interest attaches and the time of filing.

179.26 (f) **Buyers of chattel paper.** A buyer, other than a secured party, of chattel paper takes
179.27 free of a security interest if, without knowledge of the security interest and before it is
179.28 perfected, the buyer gives value and:

179.29 (1) receives delivery of each authoritative tangible copy of the record evidencing the
179.30 chattel paper; and

179.31 (2) if each authoritative electronic copy of the record evidencing the chattel paper can
179.32 be subjected to control under section 336.9-105, obtains control of each authoritative
179.33 electronic copy.

180.1 (g) **Buyers of electronic documents.** A buyer of an electronic document takes free of
180.2 a security interest if, without knowledge of the security interest and before it is perfected,
180.3 the buyer gives value and, if each authoritative electronic copy of the document can be
180.4 subjected to control under section 336.7-106, obtains control of each authoritative electronic
180.5 copy.

180.6 (h) **Buyers of controllable electronic records.** A buyer of a controllable electronic
180.7 record takes free of a security interest if, without knowledge of the security interest and
180.8 before it is perfected, the buyer gives value and obtains control of the controllable electronic
180.9 record.

180.10 (i) **Buyers of controllable accounts and controllable payment intangibles.** A buyer,
180.11 other than a secured party, of a controllable account or a controllable payment intangible
180.12 takes free of a security interest if, without knowledge of the security interest and before it
180.13 is perfected, the buyer gives value and obtains control of the controllable account or
180.14 controllable payment intangible.

180.15 Sec. 189. Minnesota Statutes 2025 Supplement, section 353D.07, subdivision 2, is amended
180.16 to read:

180.17 Subd. 2. **Payment of benefits.** (a) A participant is entitled to receive a distribution of
180.18 the participant's benefit after termination of service for any reason, disability, or death, or
180.19 on or after attaining age 65 if still employed by a public employer.

180.20 (b) Unless the distribution is required under section 356.635, no distribution shall be
180.21 made unless the participant has submitted an application requesting:

180.22 (1) a distribution;

180.23 (2) a direct rollover;

180.24 (3) a transfer as permitted under subdivision 3, paragraph (b); or

180.25 (4) installments as permitted under subdivision 4.

180.26 If the distribution is an eligible rollover distribution as defined in section 356.633, subdivision
180.27 1, paragraph ~~(d)~~ (e), the executive director shall provide notice to the participant or
180.28 beneficiary, as applicable, of the right to elect a direct rollover.

180.29 Sec. 190. Minnesota Statutes 2024, section 353D.07, subdivision 5, is amended to read:

180.30 Subd. 5. **Death of a participant.** If a participant dies while employed or before the
180.31 participant's account is distributed in its entirety, the account must be paid in a lump sum

181.1 to the designated beneficiary or, if none, the heirs at law of the decedent. If the distribution
181.2 is an eligible rollover distribution as defined in section 356.633, subdivision 1, paragraph
181.3 ~~(d)~~ (e), the executive director shall provide an election form and notice of the right to elect
181.4 a direct rollover.

181.5 Sec. 191. Minnesota Statutes 2024, section 353G.18, subdivision 2, is amended to read:

181.6 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
181.7 have the meanings given them unless the context clearly indicates otherwise.

181.8 (b) "Departing entity" means the entity seeking to terminate its participation in the plan
181.9 and the coverage of its departing firefighters by the plan.

181.10 (c) "Departing firefighter" means each former firefighter of the departing entity who:

181.11 (1) is credited with one or more years of service under the plan or under the relief
181.12 association previously affiliated with the departing entity;

181.13 (2) has not yet received a distribution of the firefighter's pension benefit; and

181.14 (3) is entitled to a distribution of a pension benefit under this section.

181.15 (d) "Direct rollover" means a payment described under section 356.633, subdivisions 1
181.16 and 2. Consistent with the definition of "distributee" under section 356.633, subdivision 1,
181.17 paragraph ~~(b)~~ (c), a departing firefighter is a distributee for the purpose of a direct rollover
181.18 election.

181.19 (e) "Distribution date" means the date as of which all assets in the entity's account are
181.20 to be distributed in the form of a payment to each departing firefighter or the survivor of
181.21 each deceased departing firefighter or as a direct rollover, if elected under section 356.633,
181.22 subdivisions 1 and 2.

181.23 (f) "Entity" means a municipality, a firefighting corporation, or a joint powers entity
181.24 that operates or had operated a fire department with firefighters who are covered by the
181.25 plan.

181.26 (g) "Entity's account" means the pension plan that is a component of the plan and under
181.27 which the departing firefighters have accrued lump sum pension benefits and with which
181.28 the departing entity is affiliated.

181.29 (h) "Executive director" means the executive director of the Public Employees Retirement
181.30 Association.

182.1 (i) "Termination date" means the effective date of the termination of the pension plan
182.2 that is the entity's account. The termination date shall precede the distribution date.

182.3 (j) "Year of service" means a year of service credit certified by the departing entity's fire
182.4 chief under section 353G.07. For purposes of determining the amount of a departing
182.5 firefighter's pension benefit under this section, year of service includes any service credit
182.6 earned by the departing firefighter under the relief association previously affiliated with the
182.7 departing entity, which must be certified under section 424A.003 beginning January 1,
182.8 2019. Service credit ends when the departing firefighter's active service ends, notwithstanding
182.9 a later termination date as defined in paragraph (i).

182.10 Sec. 192. Minnesota Statutes 2024, section 353G.19, subdivision 6, is amended to read:

182.11 Subd. 6. **Distribution to former volunteer firefighters in pay status.** (a) If any former
182.12 volunteer firefighter or beneficiary is receiving an annuity, the executive director must
182.13 determine the present value of the remaining payments to the former volunteer firefighter
182.14 or beneficiary and offer the former volunteer firefighter or beneficiary:

182.15 (1) continued payments in the same monthly amount; or

182.16 (2) an immediate lump-sum distribution of the present value amount.

182.17 (b) The offer of an immediate lump-sum distribution must include an offer to the former
182.18 volunteer firefighter or beneficiary to elect a direct rollover of the amount to an eligible
182.19 retirement plan as permitted under section 356.633, subdivisions 1 and 2, if the distribution
182.20 is an eligible rollover distribution as defined in section 356.633 subdivision 1, paragraph
182.21 ~~(d)~~ (e).

182.22 Sec. 193. Minnesota Statutes 2024, section 356.47, subdivision 3, is amended to read:

182.23 Subd. 3. **Payment.** (a) Beginning one year after the reemployment withholding period
182.24 ends relating to the reemployment that gave rise to the limitation, and the filing of a written
182.25 application, the retired member is entitled to the payment, in a lump sum, of the value of
182.26 the person's amount under subdivision 2, plus annual compound interest. For the general
182.27 state employees retirement plan, the correctional state employees retirement plan, the general
182.28 employees retirement plan of the Public Employees Retirement Association, the public
182.29 employees police and fire retirement plan, the local government correctional employees
182.30 retirement plan, and the teachers retirement plan, the annual interest rate is six percent from
182.31 the date on which the amount was deducted from the retirement annuity to the date of
182.32 payment or until January 1, 2011, whichever is earlier, and no interest after January 1, 2011.

183.1 For the St. Paul Teachers Retirement Fund Association, the annual interest is the rate of six
183.2 percent from the date that the amount was deducted from the retirement annuity to the date
183.3 of payment or June 30, 2011, whichever is earlier, and with no interest accrual after June
183.4 30, 2011.

183.5 (b) The written application must be on a form prescribed by the chief administrative
183.6 officer of the applicable retirement plan.

183.7 (c) If the retired member dies before the payment provided for in paragraph (a) is made,
183.8 the amount is payable, upon written application, to the deceased person's surviving spouse,
183.9 or if none, to the deceased person's designated beneficiary, or if none, to the deceased
183.10 person's estate.

183.11 (d) If the amount under subdivision 2 is an eligible rollover distribution as defined in
183.12 section 356.633, subdivision 1, paragraph ~~(d)~~ (e), the applicable retirement plan shall provide
183.13 notice and an election:

183.14 (1) to the member regarding the member's right to elect a direct rollover under section
183.15 356.633, subdivisions 1 and 2, in lieu of a direct payment; or

183.16 (2) if paragraph (c) applies and the amount is to be paid to a person who is a distributee
183.17 as defined in section 356.633, subdivision 1, paragraph ~~(b)~~ (c), to the distributee regarding
183.18 the distributee's right to elect a direct rollover under section 356.633, subdivisions 1 and 2,
183.19 in lieu of a direct payment.

183.20 Sec. 194. Minnesota Statutes 2025 Supplement, section 357.021, subdivision 1a, is amended
183.21 to read:

183.22 Subd. 1a. **Transmittal of fees to commissioner of management and budget.** (a) Every
183.23 person, including the state of Minnesota and all bodies politic and corporate, who shall
183.24 transact any business in the district court, shall pay to the court administrator of said court
183.25 the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court
183.26 administrator shall transmit the fees monthly to the commissioner of management and budget
183.27 for deposit in the state treasury and credit to the general fund. \$30 of each fee collected in
183.28 a dissolution action under subdivision 2, clause (1), must be deposited by the commissioner
183.29 of management and budget in the special revenue fund and is appropriated to the
183.30 commissioner of employment and economic development for the Minnesota Family
183.31 Resiliency Partnership under section 116L.96.

183.32 (b) In a county which has a screener-collector position, fees paid by a county pursuant
183.33 to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the

184.1 fees first to reimburse the county for the amount of the salary paid for the screener-collector
184.2 position. The balance of the fees collected shall then be forwarded to the commissioner of
184.3 management and budget for deposit in the state treasury and credited to the general fund.

184.4 In a county in a judicial district under section 480.181, subdivision 1, paragraph (b), which
184.5 has a screener-collector position, the fees paid by a county shall be transmitted monthly to
184.6 the commissioner of management and budget for deposit in the state treasury and credited
184.7 to the general fund. A screener-collector position for purposes of this paragraph is an
184.8 employee whose function is to increase the collection of fines and to review the incomes
184.9 of potential clients of the public defender, in order to verify eligibility for that service.

184.10 (c) No fee is required under this section from the public authority or the party the public
184.11 authority represents in an action for:

184.12 (1) child support enforcement or modification, medical assistance enforcement, or
184.13 establishment of parentage in the district court, or in a proceeding under section 484.702;

184.14 (2) civil commitment under chapter 253B;

184.15 (3) the appointment of a public conservator or public guardian or any other action under
184.16 chapters 252A and 525;

184.17 (4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery
184.18 of overpayments of public assistance;

184.19 (5) court relief under chapters 260, 260A, 260B, and 260C;

184.20 (6) forfeiture of property under sections 169A.63 and 609.531 to ~~609.5317~~ 609.5316;

184.21 (7) recovery of amounts issued by political subdivisions or public institutions under
184.22 sections 246.52, 252.27, 256.045, 256.25, 256B.042, 256B.14, 256B.15, 256B.37, 260B.331,
184.23 260C.331, and 518A.82, or other sections referring to other forms of public assistance;

184.24 (8) restitution under section 611A.04; or

184.25 (9) actions seeking monetary relief in favor of the state pursuant to section 16D.14,
184.26 subdivision 5.

184.27 (d) \$20 from each fee collected for child support modifications under subdivision 2,
184.28 clause (13), must be transmitted to the county treasurer for deposit in the county general
184.29 fund and \$35 from each fee shall be credited to the state general fund. The fees must be
184.30 used by the county to pay for child support enforcement efforts by county attorneys.

185.1 (e) No fee is required under this section from the Office of Ombudsperson for American
185.2 Indian Families or any federally recognized Indian Tribe or its representative in an action
185.3 for:

185.4 (1) child support enforcement or modification, medical assistance enforcement, or
185.5 establishment of parentage in the district court or in a proceeding under section 484.702;

185.6 (2) civil commitment under chapter 253B;

185.7 (3) the appointment of a public conservator or public guardian or any other action under
185.8 chapters 252A and 525; or

185.9 (4) court relief under chapters 256, 257, 260, 260A, 260B, 260C, 260D, and 518, and
185.10 sections 524.5-201 to 524.5-317.

185.11 Sec. 195. Minnesota Statutes 2024, section 363A.07, subdivision 4, is amended to read:

185.12 Subd. 4. **Withdrawal from local commission.** Notwithstanding the provisions of any
185.13 law or ordinance to the contrary, a person who has filed a charge with a local commission
185.14 may bring a civil action as provided in section ~~363A.34~~ 363A.33 at the following times:

185.15 (1) within 90 days after receipt of notice that the local commission has determined that
185.16 there is no probable cause to credit the allegations contained in the charge; receipt of notice
185.17 is presumed to be five days from the date of service by mail of the written notice; or

185.18 (2) after 45 days from the filing of the charge if a hearing has not been held or if the
185.19 local commission has not entered into a conciliation agreement to which the charging party
185.20 is a signator. The charging party shall notify the local commission of an intention to bring
185.21 a civil action, which shall be commenced within 90 days of giving the notice.

185.22 A charging party bringing a civil action shall mail by registered or certified mail a copy
185.23 of the summons and complaint to the local commission and upon their receipt the local
185.24 commission shall terminate all proceedings before the local commission relating to the
185.25 charge. No charge shall be filed or reinstated with the local commission after a civil action
185.26 relating to the same unfair discriminatory practice has been brought unless the civil action
185.27 has been dismissed without prejudice.

185.28 Sec. 196. Minnesota Statutes 2024, section 363A.08, subdivision 4, is amended to read:

185.29 Subd. 4. **Employer, employment agency, or labor organization.** (a) Except when
185.30 based on a bona fide occupational qualification, it is an unfair employment practice for an

186.1 employer, employment agency, or labor organization, before a person is employed by an
186.2 employer or admitted to membership in a labor organization, to:

186.3 (1) require or request the person to furnish information that pertains to race, color, creed,
186.4 religion, national origin, sex, gender identity, marital status, status with regard to public
186.5 assistance, familial status, disability, sexual orientation, or age; or, subject to section 363A.20,
186.6 to require or request a person to undergo physical examination; unless for the sole and
186.7 exclusive purpose of national security, information pertaining to national origin is required
186.8 by the United States, this state or a political subdivision or agency of the United States or
186.9 this state, or for the sole and exclusive purpose of compliance with the Public Contracts
186.10 Act or any rule, regulation, or laws of the United States or of this state requiring the
186.11 information or examination. A law enforcement agency may, after notifying an applicant
186.12 for a peace officer or part-time peace officer position that the law enforcement agency is
186.13 commencing the background investigation on the applicant, request the applicant's date of
186.14 birth, gender, and race on a separate form for the sole and exclusive purpose of conducting
186.15 a criminal history check, a driver's license check, and fingerprint criminal history inquiry.
186.16 The form shall include a statement indicating why the data is being collected and what its
186.17 limited use will be. No document which has date of birth, gender, or race information will
186.18 be included in the information given to or available to any person who is involved in selecting
186.19 the person or persons employed other than the background investigator. No person may act
186.20 both as background investigator and be involved in the selection of an employee except that
186.21 the background investigator's report about background may be used in that selection as long
186.22 as no direct or indirect references are made to the applicant's race, age, or gender; or

186.23 (2) seek and obtain for purposes of making a job decision, information from any source
186.24 that pertains to the person's race, color, creed, religion, national origin, sex, gender identity,
186.25 marital status, status with regard to public assistance, familial status, disability, sexual
186.26 orientation, or age, unless for the sole and exclusive purpose of compliance with the Public
186.27 Contracts Act or any rule, regulation, or laws of the United States or of this state requiring
186.28 the information; or

186.29 (3) cause to be printed or published a notice or advertisement that relates to employment
186.30 or membership and discloses a preference, limitation, specification, or discrimination based
186.31 on race, color, creed, religion, national origin, sex, gender identity, marital status, status
186.32 with regard to public assistance, familial status, disability, sexual orientation, or age.

186.33 (b) Any individual who is required to provide information that is prohibited by this
186.34 subdivision is an aggrieved party under ~~sections 363A.06, subdivision 4, and section 363A.28,~~
186.35 subdivisions 1 to 9.

187.1 Sec. 197. Minnesota Statutes 2025 Supplement, section 423A.022, subdivision 2, is
187.2 amended to read:

187.3 Subd. 2. **Allocation.** (a) Of the total amount appropriated as supplemental state aid:

187.4 (1) 58.064 percent must be paid to the executive director of the Public Employees
187.5 Retirement Association for deposit in the public employees police and fire retirement fund
187.6 established by section 353.65, subdivision 1;

187.7 (2) 35.484 percent must be allocated and paid as required by paragraphs (b) and (c),
187.8 respectively, to or on behalf of municipalities who qualify for supplemental state aid under
187.9 paragraph (d); and

187.10 (3) 6.452 percent must be paid to the executive director of the Minnesota State Retirement
187.11 System for deposit in the state patrol retirement fund.

187.12 (b) Supplemental state aid under paragraph (a), clause (2), must be allocated to each
187.13 municipality that qualifies for supplemental state aid under paragraph (d) in the same
187.14 proportion that the most recent amount of fire state aid paid under section 477B.04 for the
187.15 municipality bears to the most recent total fire state aid paid under section 477B.04 for all
187.16 municipalities other than municipalities solely employing firefighters with retirement
187.17 coverage by one or more pension plans under chapter 353.

187.18 (c) Supplemental state aid under paragraph (a), clause (2), must be paid:

187.19 (1) to the executive director of the Public Employees Retirement Association for each
187.20 municipality with a fire department that participates in the statewide volunteer firefighter
187.21 plan for deposit in the fund established by section ~~352G.02~~ 353G.02, subdivision 3, and
187.22 credited to the fire department's account; and

187.23 (2) with the balance to the treasurer of each municipality for transmittal within 30 days
187.24 of receipt to the treasurer of the applicable firefighters relief association for deposit in its
187.25 special fund.

187.26 (d) A municipality qualifies for supplemental state aid under paragraph (a), clause (2),
187.27 if the municipality:

187.28 (1) does not solely employ firefighters with retirement coverage provided by one or
187.29 more pension plans established under chapter 353; and

187.30 (2) qualified to receive fire state aid in that calendar year.

188.1 (e) For purposes of this section, the term "municipalities" includes independent nonprofit
188.2 firefighting corporations that participate in the statewide volunteer firefighter plan under
188.3 chapter 353G or with subsidiary firefighter relief associations operating under chapter 424A.

188.4 Sec. 198. Minnesota Statutes 2025 Supplement, section 424A.015, subdivision 4, is
188.5 amended to read:

188.6 Subd. 4. **Right to elect a direct rollover.** A relief association must permit a member, a
188.7 surviving spouse, or another distributee as defined in section 356.633, subdivision 1,
188.8 paragraph ~~(b)~~ (c), to elect a direct rollover of any distribution that is an eligible rollover
188.9 distribution as defined in section 356.633, subdivision 1, paragraph ~~(d)~~ (e), subject to the
188.10 terms and conditions of section 356.633.

188.11 Sec. 199. Minnesota Statutes 2024, section 424A.05, subdivision 5, is amended to read:

188.12 Subd. 5. **Qualified domestic relations orders.** (a) A "qualified domestic relations order"
188.13 means a domestic relations order that creates or recognizes the existence of an alternate
188.14 payee's right to or assigns to an alternate payee the right to receive a service pension that is
188.15 all or any portion of the service pension payable with respect to a member or former member
188.16 of a relief association.

188.17 (b) An "alternate payee" means the former spouse of a member or former member of a
188.18 relief association, including a former spouse who is a distributee as defined in section
188.19 356.633, subdivision 1, paragraph ~~(b)~~ (c).

188.20 (c) A relief association must comply with a qualified domestic relations order purporting
188.21 to assign all or a portion of a service pension accrued under the retirement plan of the relief
188.22 association, to the extent vested, if the payment or payments required by the order are within
188.23 the limits described in section 518.58, subdivision 4, paragraph (a), clauses (1) to (4). For
188.24 the purpose of applying section 518.58, subdivision 4, paragraph (a), "plan" or "pension
188.25 plan" as used in paragraph (a) means the articles or bylaws of the relief association and
188.26 chapter 424A, as applicable to the relief association.

188.27 (d) Notwithstanding any state law to the contrary, the bylaws of a relief association may
188.28 permit distribution to an alternate payee under a qualified domestic relations order:

188.29 (1) as early as administratively practicable after the order is received by the relief
188.30 association, even if the member whose service pension is being assigned to the alternate
188.31 payee under the order has not yet reached age 50 or separated from active service with the
188.32 fire department affiliated with the relief association; and

189.1 (2) in a lump sum, even if the relief association is a defined benefit relief association
189.2 that pays monthly service pensions under section 424A.093.

189.3 (e) If the service pension is an eligible rollover distribution as defined in section 356.633,
189.4 subdivision 1, paragraph ~~(d)~~ (e), the relief association must permit the alternate payee to
189.5 elect a direct rollover, as provided under section 356.633, subdivisions 1 and 2.

189.6 Sec. 200. Minnesota Statutes 2024, section 424B.13, subdivision 5, is amended to read:

189.7 **Subd. 5. Determination of value of pension benefits and distribution to retirees in**
189.8 **pay status.** (a) The board of trustees shall determine the present value of each participant's
189.9 accrued benefit, taking into account the full vesting requirement under subdivision 2 and
189.10 any increase in the lump-sum benefit or monthly pension amount approved under subdivision
189.11 4:

189.12 (1) using the method set forth in section 424A.092, subdivision 2, for determining a
189.13 plan's funded status by calculating the value of each participant's accrued benefit; or

189.14 (2) as determined by an actuary retained by the relief association, who meets the definition
189.15 of approved actuary under section 356.215, subdivision 1, paragraph (c).

189.16 (b) If the retirement plan pays a monthly pension, the board of trustees must determine
189.17 the present value of the remaining payments to any retiree in pay status or beneficiary who
189.18 is receiving an annuity. Present value must be determined by an actuary who meets the
189.19 definition of approved actuary under section 356.215, subdivision 1, paragraph (c), retained
189.20 by the relief association. At the discretion of the relief association, the relief association
189.21 must provide the retiree in pay status or beneficiary receiving the annuity either:

189.22 (1) an immediate lump-sum distribution of an amount equal to the present value of the
189.23 remaining payments as determined by the actuary and permit the retiree in pay status or
189.24 beneficiary to elect a lump-sum payment or a direct rollover of the amount to an eligible
189.25 retirement plan as permitted under section 356.633, subdivisions 1 and 2, if the distribution
189.26 is an eligible rollover distribution as defined in section 356.633, subdivision 1, paragraph
189.27 ~~(d)~~ (e); or

189.28 (2) continued payments in the same monthly amount under an annuity to be purchased
189.29 by the board of trustees from a reputable insurance company licensed to do business in the
189.30 state.

190.1 Sec. 201. Minnesota Statutes 2024, section 424B.13, subdivision 6, is amended to read:

190.2 Subd. 6. **Allocation of surplus.** (a) If, as of the conversion effective date, the defined
190.3 benefit plan has a surplus, the board of trustees shall allocate the surplus as follows:

190.4 (1) per capita method: each participant's account will receive the same dollar amount;

190.5 (2) service-based method: each participant's account will receive a share of the surplus
190.6 based on the ratio of the participant's years of service to the total years of service for all
190.7 participants; or

190.8 (3) participant and municipality sharing method under paragraph (b).

190.9 (b) The board of trustees may allocate the surplus using the participant and municipality
190.10 sharing method in accordance with this paragraph.

190.11 (1) For this purpose, "municipality" means "municipality" or "firefighting corporation,"
190.12 as applicable.

190.13 (2) If the fire department is operated by more than one municipality under a joint powers
190.14 agreement:

190.15 (i) any consent by the municipality under this paragraph requires consent by each
190.16 municipality that is party to the joint powers agreement;

190.17 (ii) any payment of surplus to the municipality under this paragraph requires a payment
190.18 of a pro rata share of surplus to each municipality that is party to the joint powers agreement;
190.19 and

190.20 (iii) any restrictions on the use of surplus applies to each municipality that is party to
190.21 the joint powers agreement.

190.22 (3) Under the participant and municipality sharing method:

190.23 (i) first, the municipality will receive a share of the surplus based on the ratio of the
190.24 municipal contributions made to the defined benefit relief association over a specified period
190.25 of years to the total of fire state aid paid and municipal contributions made to the defined
190.26 benefit relief association over the same period; and

190.27 (ii) second, any remaining surplus will be allocated to accounts of participants using the
190.28 per capita or service-based method.

190.29 (4) The board of trustees may impose conditions on the use of the surplus by the
190.30 municipality, as follows:

191.1 (i) all or a specified portion of the surplus must be contributed back to the defined
191.2 contribution relief association over a specified number of future years for allocation to the
191.3 accounts of participants eligible for an allocation;

191.4 (ii) all or a specified portion of the surplus must be used by the municipality for the
191.5 purposes described in section 424A.08, paragraph (a) or ~~(b)~~ (c); or

191.6 (iii) all or a specified portion of the surplus must be used by the municipality to provide
191.7 health insurance or other welfare benefits for the participants.

191.8 (c) The board of trustees shall specify whether the surplus will be allocated only to
191.9 participants who are members active as of the conversion effective date or whether the
191.10 surplus will be allocated to all participants, including members who are not active as of the
191.11 conversion effective date.

191.12 Sec. 202. Minnesota Statutes 2024, section 424B.22, subdivision 7, is amended to read:

191.13 **Subd. 7. Allocation of surplus.** (a) If the retirement plan is a defined benefit plan and
191.14 if, after completing the determination of assets, liabilities, and administrative expenses under
191.15 subdivision 5, there is a surplus, the board of trustees shall transfer to the affiliated
191.16 municipality the lesser of (1) the amount of the surplus, or (2) the sum of all required
191.17 contributions, without investment earnings or interest thereon, made by the municipality to
191.18 the relief association during the year in which the termination of the retirement plan occurs
191.19 or during the preceding nine years.

191.20 (b) If the affiliated municipality did not make any required contributions to the relief
191.21 association during the current or preceding nine years or if, after the transfer described in
191.22 paragraph (a), there is surplus remaining, the relief association and the municipality will
191.23 mutually agree on an allocation between them of the remaining surplus.

191.24 (c) If, within 180 days of the date of termination of the retirement plan, the municipality
191.25 and relief association have not reached an agreement on the allocation of the surplus under
191.26 paragraph (b), then 50 percent of the surplus shall be retained by the relief association and
191.27 50 percent of the surplus shall be transferred to the affiliated municipality.

191.28 (d) Any surplus retained by the relief association under paragraph (c) shall be allocated
191.29 among all participants eligible to share in the surplus in the same proportion that the present
191.30 value of the accrued benefit for each eligible participant bears to the total present value of
191.31 the accrued benefits of all participants eligible to share in the surplus, and each eligible
191.32 participant's benefit, as determined under subdivision 5, paragraph (a), clause (2), shall be
191.33 increased by the participant's share of the surplus. The board of trustees shall determine

192.1 eligibility to share in the surplus, which may include all participants and any former
192.2 participants who, within the last three years or such other number of years as determined
192.3 by the board of trustees, separated from active service and received their retirement benefit.

192.4 If the board of trustees decides to include former participants in the allocation of the surplus,
192.5 the board of trustees shall modify the method for allocating the surplus to take into account
192.6 the former participants.

192.7 (e) Any amount of surplus transferred to the affiliated municipality under this subdivision
192.8 may only be used for the purposes described in section 424A.08, paragraph (a) or ~~(b)~~ (c).

192.9 Sec. 203. Minnesota Statutes 2024, section 424B.22, subdivision 8, is amended to read:

192.10 Subd. 8. **Immediate distribution of retirement benefits and payment of all other**
192.11 **obligations.** (a) The board of trustees shall liquidate the assets of the special fund and pay
192.12 retirement benefits and administrative expenses under the retirement plan within 210 days
192.13 after the effective date of the termination of the retirement plan.

192.14 (b) If the retirement plan is a defined benefit plan that pays lump-sum benefits or a
192.15 defined contribution plan, without regard to whether the participant has attained age 50,
192.16 each participant and other benefit recipient shall be permitted to elect an immediate
192.17 distribution or a direct rollover of the participant's benefit to an eligible retirement plan as
192.18 permitted under section 356.633, subdivisions 1 and 2, if the benefit is an eligible rollover
192.19 distribution as defined in section 356.633, subdivision 1, paragraph ~~(d)~~ (e).

192.20 (c) If the retirement plan is a defined benefit plan that pays monthly pension benefits,
192.21 the board of trustees shall, at the election of the participant or other benefit recipient, purchase
192.22 an annuity contract under section 424A.015, subdivision 3, naming the participant or other
192.23 benefit recipient, as applicable, as the insured or distribute a lump-sum amount that is equal
192.24 to the present value of the monthly pension benefits to which the participant or other benefit
192.25 recipient is entitled. If an annuity is elected by the participant or other benefit recipient, the
192.26 annuity shall provide for commencement at a date elected by the insured, to be paid as an
192.27 annuity for the life of the insured. Legal title to the annuity contract shall be transferred to
192.28 the insured. If a lump sum is elected, the option under paragraph (b) to take an immediate
192.29 distribution or a direct rollover shall apply.

192.30 (d) The board of trustees shall complete the distribution of all assets of the special fund
192.31 by making any remaining distributions or transfers as required under subdivision 9 on behalf
192.32 of participants or other benefit recipients who cannot be located or are unresponsive and
192.33 paying any remaining administrative expenses related to the termination of the plan.

193.1 Sec. 204. Minnesota Statutes 2024, section 458D.08, is amended to read:

193.2 **458D.08 BUDGET.**

193.3 The board shall prepare and adopt, on or before ~~December 31, 1971, and on or before~~
193.4 ~~November 1, 1972, and each year thereafter~~, a budget showing for the following calendar
193.5 year or other fiscal year determined by the board, sometimes referred to in sections 458D.01
193.6 to 458D.24 as the budget year, the estimated revenue from all sources, including but not
193.7 limited to, income earned in the operation of the district disposal system, federal or state
193.8 grants, taxes on property, and funds on hand at the beginning of the year, and estimated
193.9 expenses for:

193.10 (1) credits to each local government unit under section 458D.06, subdivision 4;

193.11 (2) deferred payments under section 458D.09, subdivision 3;

193.12 (3) costs of operation, administration and maintenance of the district disposal system;

193.13 (4) costs of acquisition and betterment of the district disposal system; and

193.14 (5) debt service, including principal and interest, on general obligation bonds and
193.15 certificates issued pursuant to section 458D.14, obligations assumed under section 458D.06,
193.16 subdivision 3, and any money judgments entered by a court of competent jurisdiction.

193.17 Expenses within these general categories, and such others as the board may from time to
193.18 time determine, shall be itemized in such detail as the board shall prescribe. The board and
193.19 its officers, agents and employees shall not incur an expense for any purpose other than
193.20 debt service without having set forth such expense in the budget nor in excess of the amount
193.21 set forth in the budget therefor, and no obligation to incur such an expense shall be
193.22 enforceable except as the obligation of the person or persons incurring it; providing that the
193.23 board may amend the budget at any time by transferring from one purpose to another any
193.24 revenue except for debt service and bond proceeds and by increasing expenses in any amount
193.25 by which revenue during the budget year is estimated to exceed the total amounts designated
193.26 in the original budget. The creation of any obligation pursuant to section 458D.14 or the
193.27 award of any federal or state grant is a sufficient budget designation of the proceeds for the
193.28 purpose for which it is authorized, and of the tax or other revenue pledged to pay the
193.29 obligation and interest on it, whether or not specifically included in any annual budget. The
193.30 budget shall contain, in addition to the provisions above, the estimated revenue from income
193.31 earned in the operation of solid waste disposal sites or facilities and estimated expenses for
193.32 the operation of such solid waste disposal sites or facilities. Revenues from the operation
193.33 of disposal sites or facilities shall not be used to fund in whole or in part the maintenance
193.34 or operation of the district disposal system as that term is defined in section 458D.02.

194.1 Sec. 205. Minnesota Statutes 2024, section 462A.07, subdivision 20, is amended to read:

194.2 Subd. 20. **Eligibility for agency programs.** The agency may determine that a household
 194.3 or project unit meets the rent or income requirements for a program if the household or unit
 194.4 receives or participates in income-based state or federal public assistance benefits, including
 194.5 but not limited to:

194.6 (1) child care assistance programs under chapter ~~119B~~ 142E;

194.7 (2) general assistance, Minnesota supplemental aid, or food support under chapter 256D;

194.8 (3) housing support under chapter 256I;

194.9 (4) Minnesota family investment program and diversionary work program under chapter
 194.10 ~~256J~~ 142G; and

194.11 (5) economic assistance programs under chapter 256P.

194.12 Sec. 206. Minnesota Statutes 2024, section 469.174, subdivision 10, is amended to read:

194.13 Subd. 10. **Redevelopment district.** (a) "Redevelopment district" means a type of tax
 194.14 increment financing district consisting of a project, or portions of a project, within which
 194.15 the authority finds by resolution that one or more of the following conditions, reasonably
 194.16 distributed throughout the district, exists:

194.17 (1) parcels consisting of 70 percent of the area of the district are occupied by buildings,
 194.18 streets, utilities, paved or gravel parking lots, or other similar structures and more than 50
 194.19 percent of the buildings, not including outbuildings, are structurally substandard to a degree
 194.20 requiring substantial renovation or clearance;

194.21 (2) the property consists of vacant, unused, underused, inappropriately used, or
 194.22 infrequently used rail yards, rail storage facilities, or excessive or vacated railroad
 194.23 rights-of-way;

194.24 (3) tank facilities, or property whose immediately previous use was for tank facilities,
 194.25 as defined in section 115C.02, subdivision 15, if the tank facilities:

194.26 (i) have or had a capacity of more than 1,000,000 gallons;

194.27 (ii) are located adjacent to rail facilities; and

194.28 (iii) have been removed or are unused, underused, inappropriately used, or infrequently
 194.29 used; or

194.30 (4) a ~~qualifying~~ qualified disaster area, as defined in subdivision 10b.

195.1 (b) For purposes of this subdivision, "structurally substandard" shall mean containing
195.2 defects in structural elements or a combination of deficiencies in essential utilities and
195.3 facilities, light and ventilation, fire protection including adequate egress, layout and condition
195.4 of interior partitions, or similar factors, which defects or deficiencies are of sufficient total
195.5 significance to justify substantial renovation or clearance.

195.6 (c) A building is not structurally substandard if it is in compliance with the building
195.7 code applicable to new buildings or could be modified to satisfy the building code at a cost
195.8 of less than 15 percent of the cost of constructing a new structure of the same square footage
195.9 and type on the site. The municipality may find that a building is not disqualified as
195.10 structurally substandard under the preceding sentence on the basis of reasonably available
195.11 evidence, such as the size, type, and age of the building, the average cost of plumbing,
195.12 electrical, or structural repairs, or other similar reliable evidence. The municipality may not
195.13 make such a determination without an interior inspection of the property, but need not have
195.14 an independent, expert appraisal prepared of the cost of repair and rehabilitation of the
195.15 building. An interior inspection of the property is not required, if the municipality finds that
195.16 (1) the municipality or authority is unable to gain access to the property after using its best
195.17 efforts to obtain permission from the party that owns or controls the property; and (2) the
195.18 evidence otherwise supports a reasonable conclusion that the building is structurally
195.19 substandard. Items of evidence that support such a conclusion include recent fire or police
195.20 inspections, on-site property tax appraisals or housing inspections, exterior evidence of
195.21 deterioration, or other similar reliable evidence. Written documentation of the findings and
195.22 reasons why an interior inspection was not conducted must be made and retained under
195.23 section 469.175, subdivision 3, paragraph (b), clause (1). Failure of a building to be
195.24 disqualified under the provisions of this paragraph is a necessary, but not a sufficient,
195.25 condition to determining that the building is substandard.

195.26 (d) A parcel is deemed to be occupied by a structurally substandard building for purposes
195.27 of the finding under paragraph (a) or by the improvements described in paragraph (e) if all
195.28 of the following conditions are met:

195.29 (1) the parcel was occupied by a substandard building or met the requirements of
195.30 paragraph (e), as the case may be, within three years of the filing of the request for
195.31 certification of the parcel as part of the district with the county auditor;

195.32 (2) the substandard building or the improvements described in paragraph (e) were
195.33 demolished or removed by the authority or the demolition or removal was financed by the
195.34 authority or was done by a developer under a development agreement with the authority;

196.1 (3) the authority found by resolution before the demolition or removal that the parcel
196.2 was occupied by a structurally substandard building or met the requirements of paragraph
196.3 (e) and that after demolition and clearance the authority intended to include the parcel within
196.4 a district; and

196.5 (4) upon filing the request for certification of the tax capacity of the parcel as part of a
196.6 district, the authority notifies the county auditor that the original tax capacity of the parcel
196.7 must be adjusted as provided by section 469.177, subdivision 1, paragraph (f).

196.8 (e) For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities,
196.9 paved or gravel parking lots, or other similar structures unless 15 percent of the area of the
196.10 parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar
196.11 structures.

196.12 (f) For districts consisting of two or more noncontiguous areas, each area must qualify
196.13 as a redevelopment district under paragraph (a) to be included in the district, and the entire
196.14 area of the district must satisfy paragraph (a).

196.15 Sec. 207. Minnesota Statutes 2024, section 473.4057, subdivision 7, is amended to read:

196.16 Subd. 7. **Expenditure of funds and exercise of powers.** In carrying out its
196.17 responsibilities under this section and notwithstanding any other law to the contrary, the
196.18 council may expend funds and exercise, both inside and outside the metropolitan area, those
196.19 powers in this chapter that are necessary or convenient for those purposes. The jurisdiction
196.20 of the metropolitan transit police under section ~~473.405~~ 473.407 extends to offenses relating
196.21 to the operation, property, facilities, equipment, employees, and passengers of any commuter
196.22 rail facilities and services that are subject to this section.

196.23 Sec. 208. Minnesota Statutes 2025 Supplement, section 473.4465, subdivision 2, is amended
196.24 to read:

196.25 Subd. 2. **Use of funds; Metropolitan Council.** (a) Sales tax revenue allocated to the
196.26 council under section 297A.9915, subdivision 4, paragraph (a), clause (1), is available as
196.27 follows:

196.28 (1) five percent for active transportation, as determined by the Transportation Advisory
196.29 Board under subdivision 3; and

196.30 (2) 95 percent for transit system purposes under sections 473.371 to ~~473.452~~ 473.449,
196.31 including but not limited to operations, maintenance, and capital projects.

197.1 (b) The council must expend a portion of sales tax revenue under paragraph (a), clause
197.2 (2), in each of the following categories:

197.3 (1) improvements to regular route bus service levels;

197.4 (2) improvements related to transit safety, including additional transit officials, as defined
197.5 under section 473.4075;

197.6 (3) maintenance and improvements to bus accessibility at transit stops and transit centers;

197.7 (4) transit shelter replacement and improvements under section 473.41;

197.8 (5) planning and project development for expansion of arterial bus rapid transit lines;

197.9 (6) operations and capital maintenance of arterial bus rapid transit;

197.10 (7) planning and project development for expansion of highway bus rapid transit and
197.11 bus guideway lines;

197.12 (8) operations and capital maintenance of highway bus rapid transit and bus guideways;

197.13 (9) zero-emission bus procurement and associated costs in conformance with the
197.14 zero-emission and electric transit vehicle transition plan under section 473.3927;

197.15 (10) demand response microtransit service provided by the council;

197.16 (11) financial assistance to replacement service providers under section 473.388, to
197.17 provide for service, vehicle purchases, and capital investments related to demand response
197.18 microtransit service;

197.19 (12) financial assistance to political subdivisions and tax-exempt organizations under
197.20 section 501(c)(3) of the Internal Revenue Code for active transportation; and

197.21 (13) wage adjustments for Metro Transit hourly operations employees.

197.22 Sec. 209. Minnesota Statutes 2024, section 491A.03, subdivision 4, is amended to read:

197.23 Subd. 4. **Quarters; supplies.** The county in which the court is established shall provide
197.24 suitable quarters for the court. Except as otherwise provided by law, all expenses for
197.25 necessary blanks, stationery, books, furniture, furnishings, and other supplies for the use of
197.26 the court and the officers of the court shall be included in the budget for the court
197.27 administrator's office provided by the county board pursuant to section 485.018, subdivision
197.28 6.

198.1 Sec. 210. Minnesota Statutes 2024, section 504B.361, subdivision 1, is amended to read:

198.2 Subdivision 1. **Summons and writ.** The state court administrator shall develop a uniform
198.3 form for the summons and writ of recovery of premises and order to vacate. The summons
198.4 shall conform to the requirements enumerated under section 504B.321, subdivision ~~3~~ 4.

198.5 The writ for recovery of premises and order to vacate must include:

198.6 (1) the following statement: "You have the right to seek legal help. If you can't afford
198.7 a lawyer, free legal help may be available. Contact Legal Aid or visit www.LawHelpMN.org
198.8 to know your rights and find your local Legal Aid office."; and

198.9 (2) the following statement: "To apply for financial help, contact your local county or
198.10 Tribal social services office, apply online at MNBenefits.mn.gov, or call the United Way
198.11 toll-free information line by dialing 2-1-1 or 800-543-7709."

198.12 Sec. 211. Minnesota Statutes 2024, section 518.10, subdivision 1, is amended to read:

198.13 Subdivision 1. **Petition.** The petition for dissolution of marriage or legal separation shall
198.14 state and allege:

198.15 (a) the name and address of the petitioner and any prior or other name used by the
198.16 petitioner;

198.17 (b) the name and, if known, the address of the respondent and any prior or other name
198.18 used by the respondent and known to the petitioner;

198.19 (c) the place and date of the marriage of the parties;

198.20 (d) in the case of a petition for dissolution, that either the petitioner or the respondent
198.21 or both:

198.22 (1) has resided in this state for not less than 180 days immediately preceding the
198.23 commencement of the proceeding, or

198.24 (2) has been a member of the armed services and has been stationed in this state for not
198.25 less than 180 days immediately preceding the commencement of the proceeding, or

198.26 (3) has been a domiciliary of this state for not less than 180 days immediately preceding
198.27 the commencement of the proceeding;

198.28 (e) the name at the time of the petition and any prior or other name, Social Security
198.29 number, age, and date of birth of each living minor or dependent child of the parties born
198.30 before the marriage or born or adopted during the marriage and a reference to, and the
198.31 expected date of birth of, a child of the parties conceived during the marriage but not born;

199.1 (f) whether or not a separate proceeding for dissolution, legal separation, or custody is
199.2 pending in a court in this state or elsewhere;

199.3 (g) in the case of a petition for dissolution, that there has been an irretrievable breakdown
199.4 of the marriage relationship;

199.5 (h) in the case of a petition for legal separation, that there is a need for a decree of legal
199.6 separation;

199.7 (i) any ~~temporary~~ transitional or ~~permanent~~ indefinite maintenance, child support, child
199.8 custody, disposition of property, attorneys' fees, costs and disbursements applied for without
199.9 setting forth the amounts; and

199.10 (j) whether an order for protection under chapter 518B or a similar law of another state
199.11 that governs the parties or a party and a minor child of the parties is in effect and, if so, the
199.12 district court or similar jurisdiction in which it was entered.

199.13 The petition shall be verified by the petitioner or petitioners, and its allegations established
199.14 by competent evidence.

199.15 Sec. 212. Minnesota Statutes 2024, section 518.175, subdivision 6, is amended to read:

199.16 Subd. 6. **Remedies.** (a) Each party must follow a court's order for custody and parenting
199.17 time unless the parties have made another agreement in writing as defined by section 645.44,
199.18 subdivision 14.

199.19 (b) For the purposes of this subdivision, "court-ordered parenting time" means:

199.20 (1) parenting time that a court has ordered, regardless of whether the order is temporary
199.21 or permanent and whether family court or juvenile court has issued the order;

199.22 (2) an order by a parenting time consultant, parenting coordinator, special master, or
199.23 other court-appointed individual who is authorized to establish or modify parenting time;
199.24 or

199.25 (3) a binding agreement or decision under section 518.1751, subdivision 3.

199.26 (c) The court shall fully consider providing compensatory parenting time when a parent
199.27 has intentionally made a substantial amount of court-ordered parenting time unavailable to
199.28 the other parent unless providing the compensatory parenting time is not consistent with
199.29 the child's best interests. The court must consider all relevant evidence to determine whether
199.30 a parent has made a substantial amount of court-ordered parenting time unavailable to the
199.31 other parent.

200.1 (d) If the court finds that a person has been deprived of court-ordered parenting time
200.2 under paragraph (b), the court shall order the parent who has interfered to allow compensatory
200.3 parenting time to the other parent. When compensatory parenting time is awarded, additional
200.4 parenting time must be:

200.5 (1) at least of the same type and duration as the deprived parenting time and, at the
200.6 discretion of the court, may be in excess of or of a different type than the deprived parenting
200.7 time;

200.8 (2) taken within one year after the deprived parenting time; and

200.9 (3) at a time acceptable to the parent deprived of parenting time.

200.10 (e) If the court finds that a party has repeatedly and intentionally denied or interfered
200.11 with court-ordered parenting time, the court must, in addition to awarding compensatory
200.12 parenting time, require the party to reimburse the other party for costs incurred as a result
200.13 of the party's denial of or interference with court-ordered parenting time and award reasonable
200.14 attorney fees to the other party, provided that the court finds that the party from whom fees,
200.15 costs, and disbursements are sought has the means to pay them. The court may:

200.16 (1) impose a sanction of up to \$500 against the party who denied or interfered with
200.17 parenting time that is payable to the other party;

200.18 (2) modify legal and physical custody of the child by awarding custody of the child to
200.19 the party whose parenting time was denied or interfered with, in accordance with the
200.20 procedures under section 518.18; or

200.21 (3) award any other remedy that the court finds to be in the best interests of the children
200.22 involved.

200.23 (f) The court shall provide one or more of the remedies available in paragraph (e), clauses
200.24 (1) and (2), if the court finds that a party has repeatedly and intentionally denied or interfered
200.25 with court-ordered parenting time after a previous finding that the party repeatedly and
200.26 intentionally denied or interfered with court-ordered parenting time.

200.27 (g) If the court makes written findings that any denial of or interference with court-ordered
200.28 parenting time was necessary to protect a child's physical or emotional health, the court is
200.29 not required to comply with paragraphs (d) to (f).

200.30 (h) If the court finds that a party has been denied parenting time and has incurred expenses
200.31 in connection with the denied parenting time, the court may require the party who denied
200.32 parenting time to post a bond in favor of the other party in the amount of prepaid expenses
200.33 associated with upcoming planned parenting time.

201.1 (i) Proof of an unwarranted denial of or interference with duly established parenting
201.2 time may constitute contempt of court and may be sufficient cause for reversal of custody.

201.3 (j) All parenting time orders must include notice of the provisions of this subdivision.

201.4 (k) The required notice under paragraph (j) must be substantially as follows:

201.5 "NOTICE REGARDING COMPLIANCE WITH PARENTING TIME ORDER:

201.6 The parties are expected to fully comply with the court's order unless the parties mutually
201.7 agree otherwise in writing as defined by Minnesota Statutes, section 645.44, subdivision
201.8 14. Pursuant to Minnesota Statutes, section 518.175, subdivision 6, and Minnesota Statutes,
201.9 section 518.131, subdivision 11, the parties are hereby notified that:

201.10 (1) The court shall award compensatory parenting time to a parent who has been prevented
201.11 from exercising parenting time.

201.12 (2) Deprivation of parental rights is a FELONY crime pursuant to Minnesota Statutes,
201.13 section ~~609.375~~ 609.26.

201.14 (3) If the court finds that one parent has repeatedly and intentionally denied or interfered
201.15 with another parent's parenting time, then the court shall award attorney fees to the parent
201.16 who has been denied parenting time and require the parent who has been denying or
201.17 interfering with parenting time to pay the other parent for costs incurred as a result of
201.18 enforcing the decision.

201.19 (4) If the court finds that one parent has repeatedly and intentionally denied or interfered
201.20 with parenting time, then the court may also:

201.21 (i) transfer custody of the child to the other parent;

201.22 (ii) impose a sanction of up to \$500 on the parent who repeatedly and intentionally
201.23 denied or interfered with parenting time; or

201.24 (iii) award other relief as determined to be in the best interests of the children involved."

201.25 (l) An order issued under this section requiring reimbursement of costs or fees does not
201.26 require a party to have direct contact with another party.

201.27 Sec. 213. Minnesota Statutes 2024, section 518A.40, subdivision 1, is amended to read:

201.28 Subdivision 1. **Child care costs.** Unless otherwise agreed to by the parties and approved
201.29 by the court, the court must order that work-related or education-related child care costs of
201.30 joint children be divided between the obligor and obligee based on their proportionate share
201.31 of the parties' combined monthly PICS. The amount of work-related or education-related

202.1 child care costs required by this subdivision to be divided between the obligor and obligee
 202.2 is the total amount received by the child care provider from the obligee and any public
 202.3 agency for the joint child or children. Child care costs shall be adjusted by the amount of
 202.4 the estimated federal and state child care credit payable on behalf of a joint child. The
 202.5 Department of ~~Human Services~~ Children, Youth, and Families shall develop tables to
 202.6 calculate the applicable credit based upon the custodial parent's PICS.

202.7 Sec. 214. Minnesota Statutes 2024, section 518A.41, subdivision 1, is amended to read:

202.8 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this chapter and
 202.9 chapter 518.

202.10 (a) "Health care coverage" means private health care coverage, including fee for service,
 202.11 health maintenance organization, preferred provider organization, and other types of private
 202.12 health care coverage. Health care coverage also means public health care coverage under
 202.13 which medical or dental services could be provided to a dependent child.

202.14 (b) "Private health care coverage" means a health plan that provides medical, dental, or
 202.15 other health care benefits and is:

202.16 (1) provided on an individual or group basis;

202.17 (2) provided by an employer or union;

202.18 (3) purchased in the private market;

202.19 (4) provided through MinnesotaCare under chapter 256L; or

202.20 (5) available to a person eligible to carry insurance for the joint child, including a party's
 202.21 spouse or parent.

202.22 Private health care coverage includes, but is not limited to, a health plan meeting the
 202.23 definition under section 62A.011, subdivision 3, except that the exclusion of coverage
 202.24 designed solely to provide dental or vision care under section 62A.011, subdivision 3, clause
 202.25 (6), does not apply to the definition of private health care coverage under this section; a
 202.26 group health plan governed under the federal Employee Retirement Income Security Act
 202.27 of 1974 (ERISA); a self-insured plan under sections 43A.23 to ~~43A.317~~ 43A.316 and
 202.28 471.617; and a policy, contract, or certificate issued by a community-integrated service
 202.29 network licensed under chapter 62N.

202.30 (c) "Public health care coverage" means health care benefits provided by any form of
 202.31 medical assistance under chapter 256B. Public health care coverage does not include

203.1 MinnesotaCare or health plans subsidized by federal premium tax credits or federal
203.2 cost-sharing reductions.

203.3 (d) "Medical support" means providing health care coverage for a joint child by
203.4 contributing to the cost of health care coverage, unreimbursed health-related expenses, and
203.5 uninsured health-related expenses of the joint child.

203.6 (e) "National medical support notice" means an administrative notice issued by the public
203.7 authority to enforce health insurance provisions of a support order in accordance with Code
203.8 of Federal Regulations, title 45, section 303.32, in cases where the public authority provides
203.9 support enforcement services.

203.10 (f) "Uninsured health-related expenses" means a joint child's reasonable and necessary
203.11 medical and dental expenses if the joint child is not covered by private health insurance
203.12 care when the expenses are incurred.

203.13 (g) "Unreimbursed health-related expenses" means a joint child's reasonable and necessary
203.14 medical and dental expenses if a joint child is covered by health care coverage and health
203.15 care coverage does not pay for the total cost of the expenses when the expenses are incurred.
203.16 Unreimbursed health-related expenses do not include the cost of premiums. Unreimbursed
203.17 health-related expenses include, but are not limited to, deductibles, co-payments, and
203.18 expenses for orthodontia, and prescription eyeglasses and contact lenses, but not
203.19 over-the-counter medications if provided through health care coverage.

203.20 Sec. 215. Minnesota Statutes 2024, section 518A.51, is amended to read:

203.21 **518A.51 FEES FOR IV-D SERVICES.**

203.22 (a) When a recipient of IV-D services is no longer receiving assistance under the state's
203.23 title IV-A, IV-E foster care, or medical assistance programs, the public authority responsible
203.24 for child support enforcement must notify the recipient, within five working days of the
203.25 notification of ineligibility, that IV-D services will be continued unless the public authority
203.26 is notified to the contrary by the recipient. The notice must include the implications of
203.27 continuing to receive IV-D services, including the available services and fees, cost recovery
203.28 fees, and distribution policies relating to fees.

203.29 (b) In the case of an individual who has never received assistance under a state program
203.30 funded under title IV-A of the Social Security Act and for whom the public authority has
203.31 collected at least \$550 of support, the public authority must impose an annual federal
203.32 collections fee of \$35 for each case in which services are furnished. This fee must be retained

204.1 by the public authority from support collected on behalf of the individual, but not from the
204.2 first \$550 collected.

204.3 (c) When the public authority provides full IV-D services to an obligee who has applied
204.4 for those services, upon written notice to the obligee, the public authority must charge a
204.5 cost recovery fee of two percent of the amount collected. This fee must be deducted from
204.6 the amount of the child support and maintenance collected and not assigned under section
204.7 518A.81 before disbursement to the obligee. This fee does not apply to an obligee who:

204.8 (1) is currently receiving assistance under the state's title IV-A, IV-E foster care, or
204.9 medical assistance programs; or

204.10 (2) has received assistance under the state's title IV-A or IV-E foster care programs,
204.11 until the person has not received this assistance for 24 consecutive months.

204.12 (d) When the public authority provides full IV-D services to an obligor who has applied
204.13 for such services, upon written notice to the obligor, the public authority must charge a cost
204.14 recovery fee of two percent of the monthly court-ordered child support and maintenance
204.15 obligation. The fee may be collected through income withholding, as well as by any other
204.16 enforcement remedy available to the public authority responsible for child support
204.17 enforcement.

204.18 (e) Fees assessed by state and federal tax agencies for collection of overdue support
204.19 owed to or on behalf of a person not receiving public assistance must be imposed on the
204.20 person for whom these services are provided. The public authority upon written notice to
204.21 the obligee shall assess a fee of \$25 to the person not receiving public assistance for each
204.22 successful federal tax interception. The fee must be withheld prior to the release of the funds
204.23 received from each interception and deposited in the general fund.

204.24 (f) Federal collections fees collected under paragraph (b) and cost recovery fees collected
204.25 under paragraphs (c) and (d) retained by the commissioner of ~~human services~~ children,
204.26 youth, and families shall be considered child support program income according to Code
204.27 of Federal Regulations, title 45, section 304.50, and shall be deposited in the special revenue
204.28 fund account established under paragraph (h). The commissioner of ~~human services~~ children,
204.29 youth, and families must elect to recover costs based on either actual or standardized costs.

204.30 (g) The limitations of this section on the assessment of fees shall not apply to the extent
204.31 inconsistent with the requirements of federal law for receiving funds for the programs under
204.32 title IV-A and title IV-D of the Social Security Act, United States Code, title 42, sections
204.33 601 to 613 and United States Code, title 42, sections 651 to 662.

205.1 (h) The commissioner of ~~human services~~ children, youth, and families is authorized to
205.2 establish a special revenue fund account to receive the federal collections fees collected
205.3 under paragraph (b) and cost recovery fees collected under paragraphs (c) and (d).

205.4 (i) The nonfederal share of the cost recovery fee revenue must be retained by the
205.5 commissioner and distributed as follows:

205.6 (1) one-half of the revenue must be transferred to the child support system special revenue
205.7 account to support the state's administration of the child support enforcement program and
205.8 its federally mandated automated system;

205.9 (2) an additional portion of the revenue must be transferred to the child support system
205.10 special revenue account for expenditures necessary to administer the fees; and

205.11 (3) the remaining portion of the revenue must be distributed to the counties to aid the
205.12 counties in funding their child support enforcement programs.

205.13 (j) The nonfederal share of the federal collections fees must be distributed to the counties
205.14 to aid them in funding their child support enforcement programs.

205.15 (k) The commissioner of human services shall distribute quarterly any of the funds
205.16 dedicated to the counties under paragraphs (i) and (j) using the methodology specified in
205.17 section 518A.84, subdivision 11. The funds received by the counties must be reinvested in
205.18 the child support enforcement program and the counties must not reduce the funding of
205.19 their child support programs by the amount of the funding distributed.

205.20 Sec. 216. Minnesota Statutes 2024, section 518A.56, subdivision 11, is amended to read:

205.21 Subd. 11. **Collections unit recoupment account.** The commissioner of ~~human services~~
205.22 children, youth, and families may establish a revolving account to cover funds issued in
205.23 error due to insufficient funds or other reasons. Appropriations for this purpose and all
205.24 recoupments against payments from the account shall be deposited in the collections unit's
205.25 recoupment account and are appropriated to the commissioner. Any unexpended balance
205.26 in the account does not cancel, but is available until expended.

206.1 Sec. 217. Minnesota Statutes 2024, section 518C.613, is amended to read:

206.2 **518C.613 JURISDICTION TO MODIFY SUPPORT ORDER OF ANOTHER**
206.3 **STATE WHEN INDIVIDUAL PARTIES RESIDE IN THIS STATE.**

206.4 (a) If all of the parties who are individuals reside in this state and the child does not
206.5 reside in the issuing state, a tribunal of this state has jurisdiction to enforce and to modify
206.6 the issuing state's child support order in a proceeding to register that order.

206.7 (b) A tribunal of this state exercising jurisdiction as provided in this section shall apply
206.8 sections 518C.101 to 518C.211 and 518C.601 to 518C.616 to the enforcement or
206.9 modification proceeding. Sections 518C.301 to ~~518C.508~~ 518C.507 and 518C.701 to
206.10 518C.802 do not apply and the tribunal shall apply the procedural and substantive law of
206.11 this state.

206.12 Sec. 218. Minnesota Statutes 2025 Supplement, section 580.07, subdivision 1, is amended
206.13 to read:

206.14 Subdivision 1. **Postponement by mortgagee.** (a) The sale may be postponed, from time
206.15 to time, by the party conducting the foreclosure. The party requesting the postponement
206.16 must, at the party's expense:

206.17 (1) publish, only once, a notice of the postponement and the rescheduled date of the sale,
206.18 if known, as soon as practicable, in the newspaper in which the notice ~~under section 580.03~~
206.19 of sale was published; and

206.20 (2) send by first class mail to the occupant, postmarked within three business days of
206.21 the postponed sale, notice:

206.22 (i) of the postponement; and

206.23 (ii) if known, of the rescheduled date of the sale and the date on or before which the
206.24 mortgagor must vacate the property if the sheriff's sale is not further postponed, the mortgage
206.25 is not reinstated under section 580.30, the property is not redeemed under section 580.23,
206.26 or the redemption period is not reduced under section 582.032. The notice must state that
206.27 the time to vacate the property is 11:59 p.m. on the specified date.

206.28 (b) If the rescheduled date of the sale is not known at the time of the initial publication
206.29 and notice to the occupant of postponement, the foreclosing party must, at its expense if
206.30 and when a new date of sale is scheduled:

207.1 (1) publish, only once, notice of the rescheduled date of the sale, as soon as practicable,
207.2 in the newspaper in which the notice ~~under section 580.03~~ of sale and the notice of
207.3 postponement under paragraph (a) was published; and

207.4 (2) send by first class mail to the occupant, postmarked within ten days of the rescheduled
207.5 sale, notice:

207.6 (i) of the date of the rescheduled sale; and

207.7 (ii) of the date on or before which the mortgagor must vacate the property if the mortgage
207.8 is not reinstated under section 580.30 or the property redeemed under section 580.23. The
207.9 notice must state that the time to vacate the property is 11:59 p.m. on the specified date.

207.10 (c) The right of a mortgagee to postpone a foreclosure sale under this section applies to
207.11 a foreclosure by action taken under chapter 581.

207.12 Sec. 219. Minnesota Statutes 2025 Supplement, section 580.07, subdivision 2, is amended
207.13 to read:

207.14 Subd. 2. **Postponement by mortgagor or owner.** (a) If all or a part of the property to
207.15 be sold is classified as homestead under section 273.124 and contains one to four dwelling
207.16 units, the mortgagor or owner may, in the manner provided in this subdivision, postpone
207.17 the sale to the first date that is not a Saturday, Sunday, or legal holiday and is:

207.18 (1) five months after the originally scheduled date of sale if the original redemption
207.19 period was six months under section 580.23, subdivision 1; or

207.20 (2) 11 months after the originally scheduled date of sale if the original redemption period
207.21 was 12 months under section 580.23, subdivision 2. To postpone a foreclosure sale pursuant
207.22 to this subdivision, at any time after the first publication of the notice of mortgage foreclosure
207.23 sale ~~under section 580.03~~ but at least 15 days prior to the scheduled sale date specified in
207.24 that notice, the mortgagor shall: (i) execute a sworn affidavit in the form set forth in
207.25 subdivision 3, (ii) record the affidavit in the office of each county recorder and registrar of
207.26 titles where the mortgage was recorded, and (iii) file with the sheriff conducting the sale
207.27 and deliver to the attorney foreclosing the mortgage a copy of the recorded affidavit, showing
207.28 the date and office in which the affidavit was recorded. Recording of the affidavit and
207.29 postponement of the foreclosure sale pursuant to this subdivision shall automatically reduce
207.30 the mortgagor's redemption period under section 580.23 to five weeks. The postponement
207.31 of a foreclosure sale pursuant to this subdivision does not require any change in the contents
207.32 of the notice of sale, service of the notice of sale if the occupant was served with the notice
207.33 of sale prior to postponement under this subdivision, or publication of the notice of sale if

208.1 publication was commenced prior to postponement under this subdivision, notwithstanding
208.2 the service and publication time periods specified in section 580.03 or sections 550.18 and
208.3 550.19, as applicable, but the sheriff's certificate of sale shall indicate the actual date of the
208.4 foreclosure sale and the actual length of the mortgagor's redemption period. No notice of
208.5 postponement need be published. An affidavit complying with subdivision 3 shall be prima
208.6 facie evidence of the facts stated therein, and shall be entitled to be recorded. The right to
208.7 postpone a foreclosure sale pursuant to this subdivision may be exercised only once,
208.8 regardless whether the mortgagor reinstates the mortgage prior to the postponed mortgage
208.9 foreclosure sale.

208.10 (b) If the automatic stay under United States Code, title 11, section 362, applies to the
208.11 mortgage foreclosure after a mortgagor or owner requests postponement of the sheriff's sale
208.12 under this section, then when the automatic stay is no longer applicable, the mortgagor's or
208.13 owner's election to shorten the redemption period to five weeks under this section remains
208.14 applicable to the mortgage foreclosure.

208.15 (c) Except for the circumstances set forth in paragraph (b), this section does not reduce
208.16 the mortgagor's redemption period under section 580.23 for any subsequent foreclosure of
208.17 the mortgage.

208.18 (d) The right of a mortgagor or owner to postpone a foreclosure sale under this section
208.19 applies to a foreclosure by action taken under chapter 581.

208.20 Sec. 220. Minnesota Statutes 2024, section 609.232, subdivision 11, is amended to read:

208.21 Subd. 11. **Vulnerable adult.** "Vulnerable adult" means any person 18 years of age or
208.22 older who:

208.23 (1) is a resident inpatient of a facility;

208.24 (2) receives services at or from a facility required to be licensed to serve adults under
208.25 ~~sections 245A.01 to 245A.15~~ chapter 245A, except that a person receiving outpatient services
208.26 for treatment of chemical dependency or mental illness, or one who is committed as a sexual
208.27 psychopathic personality or as a sexually dangerous person under chapter 253B, is not
208.28 considered a vulnerable adult unless the person meets the requirements of clause (4);

208.29 (3) receives services from a home care provider required to be licensed under sections
208.30 144A.43 to 144A.482; or from a person or organization that exclusively offers, provides,
208.31 or arranges for personal care assistance services under the medical assistance program as
208.32 authorized under sections 256B.0625, subdivision 19a, 256B.0651 to 256B.0654, and
208.33 256B.0659; or

209.1 (4) regardless of residence or whether any type of service is received, possesses a physical
209.2 or mental infirmity or other physical, mental, or emotional dysfunction:

209.3 (i) that impairs the individual's ability to provide adequately for the individual's own
209.4 care without assistance, including the provision of food, shelter, clothing, health care, or
209.5 supervision; and

209.6 (ii) because of the dysfunction or infirmity and the need for assistance, the individual
209.7 has an impaired ability to protect the individual from maltreatment.

209.8 Sec. 221. Minnesota Statutes 2024, section 611A.37, subdivision 1, is amended to read:

209.9 Subdivision 1. **Scope.** For purposes of sections 611A.371 to ~~611A.375~~ 611A.373, the
209.10 terms defined have the meanings given them unless otherwise provided or indicated by the
209.11 context.

209.12 Sec. 222. Minnesota Statutes 2024, section 611A.372, is amended to read:

209.13 **611A.372 DUTIES OF DIRECTOR.**

209.14 In addition to any other duties imposed by law, the director, with the approval of the
209.15 commissioner of public safety, shall:

209.16 (1) supervise the administration of grant payments to designated shelter facilities;

209.17 (2) collect data on shelter facilities;

209.18 (3) conduct an annual evaluation of the grant program;

209.19 (4) report to the governor and the legislature on the need for emergency secure shelter;

209.20 (5) develop an application process for shelter facilities to follow in seeking reimbursement
209.21 under the grant program; and

209.22 (6) adopt rules to implement and administer sections 611A.37 to ~~611A.375~~ 611A.373.

209.23 Sec. 223. Minnesota Statutes 2024, section 624.7192, is amended to read:

209.24 **624.7192 AUTHORITY TO SEIZE AND CONFISCATE FIREARMS.**

209.25 (a) This section applies only during the effective period of a state of emergency
209.26 proclaimed by the governor relating to a public disorder or disaster.

209.27 (b) A peace officer who is acting in the lawful discharge of the officer's official duties
209.28 without a warrant may disarm a lawfully detained individual only temporarily and only if
209.29 the officer reasonably believes it is immediately necessary for the protection of the officer

210.1 or another individual. Before releasing the individual, the peace officer must return to the
210.2 individual any seized firearms and ammunition, and components thereof, any firearms
210.3 accessories and ammunition reloading equipment and supplies, and any other personal
210.4 weapons taken from the individual, unless the officer: (1) takes the individual into physical
210.5 custody for engaging in criminal activity or for observation pursuant to section ~~253B.05~~,
210.6 ~~subdivision 2~~ 253B.051, subdivision 2; or (2) seizes the items as evidence pursuant to an
210.7 investigation for the commission of the crime for which the individual was arrested.

210.8 (c) Notwithstanding any other law to the contrary, no governmental unit, government
210.9 official, government employee, peace officer, or other person or body acting under
210.10 governmental authority or color of law may undertake any of the following actions with
210.11 regard to any firearms and ammunition, and components thereof; any firearms accessories
210.12 and ammunition reloading equipment and supplies; and any other personal weapons:

210.13 (1) prohibit, regulate, or curtail the otherwise lawful possession, carrying, transportation,
210.14 transfer, defensive use, or other lawful use of any of these items;

210.15 (2) seize, commandeer, or confiscate any of these items in any manner, except as
210.16 expressly authorized in paragraph (b);

210.17 (3) suspend or revoke a valid permit issued pursuant to section 624.7131 or 624.714,
210.18 except as expressly authorized in those sections; or

210.19 (4) close or limit the operating hours of businesses that lawfully sell or service any of
210.20 these items, unless such closing or limitation of hours applies equally to all forms of
210.21 commerce.

210.22 (d) No provision of law relating to a public disorder or disaster emergency proclamation
210.23 by the governor or any other governmental or quasi-governmental official, including but
210.24 not limited to emergency management powers pursuant to chapters 9 and 12, shall be
210.25 construed as authorizing the governor or any other governmental or quasi-governmental
210.26 official of this state or any of its political subdivisions acting at the direction of the governor
210.27 or another official to act in violation of this paragraph or paragraphs (b) and (c).

210.28 (e)(1) An individual aggrieved by a violation of this section may seek relief in an action
210.29 at law or in equity or in any other proper proceeding for damages, injunctive relief, or other
210.30 appropriate redress against a person who commits or causes the commission of this violation.
210.31 Venue must be in the district court having jurisdiction over the county in which the aggrieved
210.32 individual resides or in which the violation occurred.

211.1 (2) In addition to any other remedy available at law or in equity, an individual aggrieved
211.2 by the seizure or confiscation of an item listed in paragraph (c) in violation of this section
211.3 may make application for the immediate return of the items to the office of the clerk of
211.4 court for the county in which the items were seized and, except as provided in paragraph
211.5 (b), the court must order the immediate return of the items by the seizing or confiscating
211.6 governmental office and that office's employed officials.

211.7 (3) In an action or proceeding to enforce this section, the court must award the prevailing
211.8 plaintiff reasonable court costs and expenses, including attorney fees.

211.9 Sec. 224. Laws 2023, chapter 1, section 22, as amended by Laws 2025, First Special
211.10 Session chapter 13, article 9, section 9, is amended to read:

211.11 Sec. 22. **TEMPORARY ADDITIONS AND SUBTRACTIONS; INDIVIDUALS,**
211.12 **ESTATES, AND TRUSTS.**

211.13 (a) For the purposes of this section:

211.14 (1) "subtraction" has the meaning given in Minnesota Statutes, section 290.0132,
211.15 subdivision 1, and the rules in that subdivision apply to this section;

211.16 (2) "addition" has the meaning given in Minnesota Statutes, section 290.0131, subdivision
211.17 1, and the rules in that subdivision apply to this section; and

211.18 (3) the definitions in Minnesota Statutes, section 290.01, apply to this section.

211.19 (b) The following amounts are subtractions:

211.20 (1) the amount of wages used for the calculation of the employee retention credit for
211.21 employers affected by qualified disasters, to the extent not deducted from income, under
211.22 Public Law 116-94, division Q, section 203, or Public Law 116-260, division EE, section
211.23 303;

211.24 (2) the amount of wages used for the calculation of the payroll credit for required paid
211.25 sick leave, to the extent not deducted from income, under Public Law 116-127, section
211.26 7001, as amended by section 9641 of Public Law 117-2;

211.27 (3) the amount of wages or expenses used for the calculation of the payroll credit for
211.28 required paid family leave, to the extent not deducted from income, under Public Law
211.29 116-127, section 7003, as amended by section 9641 of Public Law 117-2;

211.30 (4) the amount of wages used for the calculation of the employee retention credit for
211.31 employers subject to closure due to COVID-19, to the extent not deducted from income,

212.1 under Public Law 116-136, section 2301, as amended by Public Law 116-260, division EE,
212.2 section 207, and Public Law 117-2, section 9651; and

212.3 (5) the amount required to be added to gross income to claim the credit in section 6432
212.4 of the Internal Revenue Code.

212.5 (c) The following amounts are additions:

212.6 (1) the amount subtracted for qualified tuition expenses under section 222 of the Internal
212.7 Revenue Code, as amended by Public Law 116-94, division Q, section 104;

212.8 (2) the amount of above the line charitable contributions deducted under section 2204
212.9 of Public Law 116-136;

212.10 (3) the amount of meal expenses in excess of the 50 percent limitation under section
212.11 274(n)(1) of the Internal Revenue Code allowed under subsection (n), paragraph (2),
212.12 subparagraph (D), of that section; and

212.13 (4) the amount of charitable contributions deducted from federal taxable income by a
212.14 trust for taxable year 2020 under Public Law 116-136, section 2205(a).

212.15 (d) The commissioner of revenue must apply the subtractions in paragraph (b) and the
212.16 additions in paragraph (c), when calculating the following:

212.17 (1) the percentage under Minnesota Statutes, section 290.06, subdivision 2c, paragraph
212.18 (e);

212.19 (2) a taxpayer's alternative minimum taxable income under Minnesota Statutes, section
212.20 290.091; and

212.21 (3) "income" for the purposes of determining the tax for composite filers and the
212.22 pass-through entity tax, means the partner's share of federal adjusted gross income from the
212.23 partnership modified by the additions provided in Minnesota Statutes, section 290.0131,
212.24 subdivisions 8 to 10, 16, 17, and 19, and the subtractions provided in (i) Minnesota Statutes,
212.25 section 290.0132, subdivisions 9, 27, ~~and 28,~~ and 31, to the extent the amount is assignable
212.26 or allocable to Minnesota under Minnesota Statutes, section 290.17; and (ii) Minnesota
212.27 Statutes, section 290.0132, subdivision 14. The subtraction allowed under Minnesota Statutes,
212.28 section 290.0132, subdivision 9, is only allowed on the composite tax computation to the
212.29 extent the electing partner would have been allowed the subtraction.

212.30 (e) For the purpose of calculating property tax refunds under Minnesota Statutes, chapter
212.31 290A, any amounts allowed as a subtraction in paragraph (b) are excluded from "income,"
212.32 as defined in Minnesota Statutes, section 290A.03, subdivision 3.

213.1 Sec. 225. **SUPERSEDING ACTS.**

213.2 Any amendments or repeals enacted in the 2026 session of the legislature to sections
213.3 also amended or repealed in this act, supersede the amendments or repeals in this act,
213.4 regardless of order of enactment.

213.5 Sec. 226. **REPEALER.**

213.6 Subdivision 1. **Obsolete subdivision.** Minnesota Statutes 2024, section 13.461,
213.7 subdivision 16a, is repealed.

213.8 Subd. 2. **Duplicative definitions.** Minnesota Statutes 2024, section 142E.50, subdivisions
213.9 1, 4, and 7, are repealed.

213.10 Subd. 3. **Obsolete subdivision.** Minnesota Statutes 2024, section 256.9756, subdivision
213.11 3, is repealed.

213.12 Subd. 4. **Obsolete subdivision.** Minnesota Statutes 2024, section 256B.092, subdivision
213.13 4b, is repealed.

213.14 Subd. 5. **Obsolete subdivision.** Minnesota Statutes 2024, section 256R.50, subdivision
213.15 6, is repealed.

213.16 Subd. 6. **Obsolete definition.** Minnesota Statutes 2024, section 257E.10, subdivision
213.17 11, is repealed.

213.18 Subd. 7. **Obsolete subdivision.** Minnesota Statutes 2024, section 272.02, subdivision
213.19 31, is repealed.

213.20 Subd. 8. **Obsolete subdivision.** Minnesota Statutes 2024, section 273.11, subdivision
213.21 19, is repealed.

213.22 Subd. 9. **Obsolete subdivision.** Minnesota Statutes 2024, section 273.11, subdivision
213.23 20, is repealed.

213.24 Subd. 10. **Obsolete subdivision.** Minnesota Statutes 2024, section 273.1315, subdivision
213.25 1, is repealed.

213.26 Subd. 11. **Obsolete section.** Minnesota Statutes 2024, section 273.1385, is repealed.

213.27 Subd. 12. **Obsolete subdivision.** Minnesota Statutes 2024, section 289A.60, subdivision
213.28 15, is repealed.

213.29 Subd. 13. **Obsolete subdivision.** Minnesota Statutes 2024, section 297I.15, subdivision
213.30 2, is repealed.

214.1 Subd. 14. **Obsolete section.** Minnesota Statutes 2024, section 383B.1511, is repealed.

214.2 Subd. 15. **Obsolete section.** Minnesota Statutes 2024, section 477A.18, is repealed.

214.3 Subd. 16. **Obsolete section.** Minnesota Statutes 2024, section 480.011, is repealed.

214.4 Subd. 17. **Obsolete subdivision.** Minnesota Statutes 2024, section 504B.345, subdivision
214.5 2, is repealed.

214.6 Subd. 18. **Conflict resolution.** Laws 2024, chapter 79, article 1, section 20, is repealed.

214.7 Subd. 19. **Conflict resolution.** Laws 2025, chapter 21, sections 56; and 57, are repealed.

214.8

ARTICLE 2

214.9

METRODOME STATUTES CLEANUP

214.10 Section 1. Minnesota Statutes 2024, section 3.9741, subdivision 1, is amended to read:

214.11 Subdivision 1. **Metropolitan Commission.** Upon the audit of the financial accounts
214.12 and affairs of a commission under section ~~473.595~~, 473.604, or 473.703, the affected
214.13 Metropolitan Commission is liable to the state for the total cost and expenses of the audit,
214.14 including the salaries paid to the examiners while actually engaged in making the
214.15 examination. The legislative auditor may bill the Metropolitan Commission either monthly
214.16 or at the completion of the audit. All collections received for the audits must be deposited
214.17 in the general fund.

214.18 Sec. 2. Minnesota Statutes 2024, section 13.202, subdivision 11, is amended to read:

214.19 Subd. 11. **Metropolitan government.** (a) **Affirmative action plans.** Treatment of data
214.20 relating to metropolitan agency affirmative action plans is governed by section 473.143,
214.21 subdivisions 5 and 7.

214.22 (b) **Contracts for management services.** Data relating to compensation of personnel
214.23 who work under a management service contract are classified by section 473.405, subdivision
214.24 12.

214.25 (c) **Arena acquisition.** Certain data in connection with a decision whether to acquire a
214.26 sports arena are classified under Minnesota Statutes 2024, section 473.598, subdivision 4.

214.27 (d) **Airports commission.** Certain airline data submitted to the Metropolitan Airports
214.28 Commission in connection with the issuance of revenue bonds are classified under section
214.29 473.6671, subdivision 3.

215.1 (e) **Solid waste landfill fee.** Information obtained from the operator of a mixed municipal
 215.2 solid waste disposal facility under section 473.843 is classified under section 473.843,
 215.3 subdivision 4.

215.4 (f) **Metropolitan airport parking customers.** Data relating to applicants for or users
 215.5 of automated parking facilities at the Minneapolis-St. Paul International Airport are classified
 215.6 under section 473.685.

215.7 Sec. 3. Minnesota Statutes 2024, section 13.55, subdivision 1, is amended to read:

215.8 Subdivision 1. **Not public classification.** The following data received, created, or
 215.9 maintained by or for publicly owned and operated convention facilities; or civic center
 215.10 authorities; ~~or the Metropolitan Sports Facilities Commission~~ are classified as nonpublic
 215.11 data pursuant to section 13.02, subdivision 9; or private data on individuals pursuant to
 215.12 section 13.02, subdivision 12:

215.13 (a) a letter or other documentation from any person who makes inquiry to or who is
 215.14 contacted by the facility regarding the availability of the facility for staging events;

215.15 (b) identity of firms and corporations which contact the facility;

215.16 (c) type of event which they wish to stage in the facility;

215.17 (d) suggested terms of rentals; and

215.18 (e) responses of authority staff to these inquiries.

215.19 Sec. 4. Minnesota Statutes 2024, section 240A.03, subdivision 6, is amended to read:

215.20 Subd. 6. **Disposition of property.** The commission may sell or otherwise dispose of
 215.21 any real or personal property acquired by it that is no longer required for accomplishment
 215.22 of its purposes. The property shall be sold in the manner provided by section 469.065,
 215.23 insofar as practical and consistent with Minnesota Statutes 2024, sections 473.551 to 473.595.

215.24 Sec. 5. Minnesota Statutes 2024, section 352.01, subdivision 2a, is amended to read:

215.25 Subd. 2a. **Included employees.** (a) "State employee" includes:

215.26 (1) employees of the Minnesota Historical Society;

215.27 (2) employees of the State Horticultural Society;

215.28 (3) employees of the Minnesota Crop Improvement Association;

- 216.1 (4) employees of the adjutant general whose salaries are paid from federal funds and
216.2 who are not covered by any federal civilian employees retirement system;
- 216.3 (5) employees of the Minnesota State Colleges and Universities who are employed under
216.4 the university or college activities program;
- 216.5 (6) currently contributing employees covered by the system who are temporarily
216.6 employed by the legislature during a legislative session or any currently contributing
216.7 employee employed for any special service as defined in subdivision 2b, clause (6);
- 216.8 (7) employees of the legislature who are appointed without a limit on the duration of
216.9 their employment;
- 216.10 (8) trainees who are employed on a full-time established training program performing
216.11 the duties of the classified position for which they will be eligible to receive immediate
216.12 appointment at the completion of the training period;
- 216.13 (9) employees of the Minnesota Safety Council;
- 216.14 (10) any employees who are on authorized leave of absence from the Transit Operating
216.15 Division of the former Metropolitan Transit Commission and who are employed by the
216.16 labor organization which is the exclusive bargaining agent representing employees of the
216.17 Transit Operating Division;
- 216.18 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
216.19 Commission, ~~Metropolitan Sports Facilities Commission~~, or Metropolitan Mosquito Control
216.20 Commission unless excluded under subdivision 2b or are covered by another public pension
216.21 fund or plan under section 473.415, subdivision 3;
- 216.22 (12) judges of the Tax Court;
- 216.23 (13) personnel who were employed on June 30, 1992, by the University of Minnesota
216.24 in the management, operation, or maintenance of its heating plant facilities, whose
216.25 employment transfers to an employer assuming operation of the heating plant facilities, so
216.26 long as the person is employed at the University of Minnesota heating plant by that employer
216.27 or by its successor organization;
- 216.28 (14) personnel who are employed as seasonal employees in the classified or unclassified
216.29 service;
- 216.30 (15) persons who are employed by the Department of Commerce as a peace officer in
216.31 the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory
216.32 retirement age specified in section 43A.34, subdivision 4;

- 217.1 (16) employees of the University of Minnesota unless excluded under subdivision 2b,
217.2 clause (3);
- 217.3 (17) employees of the Middle Management Association whose employment began after
217.4 July 1, 2007, and to whom section 352.029 does not apply;
- 217.5 (18) employees of the Minnesota Government Engineers Council to whom section
217.6 352.029 does not apply;
- 217.7 (19) employees of the Minnesota Sports Facilities Authority;
- 217.8 (20) employees of the Minnesota Association of Professional Employees;
- 217.9 (21) employees of the Minnesota State Retirement System;
- 217.10 (22) employees of the State Agricultural Society;
- 217.11 (23) employees of the Gillette Children's Hospital Board who were employed in the
217.12 state unclassified service at the former Gillette Children's Hospital on March 28, 1974;
- 217.13 (24) if approved for coverage by the Board of Directors of Conservation Corps Minnesota,
217.14 employees of Conservation Corps Minnesota so employed on June 30, 2003; and
- 217.15 (25) employees of the Perpich Center for Arts Education who are covered by the general
217.16 state employees retirement plan of the Minnesota State Retirement System as of July 1,
217.17 2016.
- 217.18 (b) Employees specified in paragraph (a), clause (13), are included employees under
217.19 paragraph (a) if employer and employee contributions are made in a timely manner in the
217.20 amounts required by section 352.04. Employee contributions must be deducted from salary.
217.21 Employer contributions are the sole obligation of the employer assuming operation of the
217.22 University of Minnesota heating plant facilities or any successor organizations to that
217.23 employer.
- 217.24 Sec. 6. Minnesota Statutes 2024, section 473.121, subdivision 5a, is amended to read:
- 217.25 Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan Parks
217.26 and Open Space Commission; and Metropolitan Airports Commission; ~~and Metropolitan~~
217.27 ~~Sports Facilities Commission.~~

218.1 Sec. 7. Minnesota Statutes 2024, section 473.164, is amended to read:

218.2 **473.164 SPORTS, AIRPORT COMMISSIONS COMMISSION TO PAY COUNCIL**
 218.3 **COSTS.**

218.4 Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities Commission~~
 218.5 ~~and the Metropolitan Airports Commission~~ shall annually reimburse the council for costs
 218.6 incurred by the council in the discharge of its responsibilities relating to the commission.
 218.7 The costs may be charged against any revenue sources of the commission as determined
 218.8 by the commission.

218.9 Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council
 218.10 shall transmit to ~~each~~ the commission an estimate of the costs which the council will incur
 218.11 in the discharge of its responsibilities related to the commission in the next budget year
 218.12 including, without limitation, costs in connection with the preparation, review,
 218.13 implementation and defense of plans, programs and budgets of the commission. ~~Each~~ The
 218.14 commission shall include the estimates in its budget for the next budget year and may
 218.15 transmit its comments concerning the estimated amount to the council during the budget
 218.16 review process. Prior to December 15 of each year, the amount budgeted by ~~each~~ the
 218.17 commission for the next budget year may be changed following approval by the council.
 218.18 During each budget year, the commission shall transfer budgeted funds to the council in
 218.19 advance when requested by the council.

218.20 Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in
 218.21 cooperation with ~~each~~ the commission, shall adopt a final statement of costs incurred by
 218.22 the council for ~~each~~ the commission. Where costs incurred in the budget year have exceeded
 218.23 the amount budgeted, ~~each~~ the commission shall transfer to the council the additional moneys
 218.24 needed to pay the amount of the costs in excess of the amount budgeted, and shall include
 218.25 a sum in its next budget. Any excess of budgeted costs over actual costs may be retained
 218.26 by the council and applied to the payment of budgeted costs in the next year.

218.27 Sec. 8. Minnesota Statutes 2024, section 473.755, subdivision 4, is amended to read:

218.28 Subd. 4. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure, the
 218.29 powers and duties of its officers, and other matters relating to the governance of the authority
 218.30 and the exercise of its powers. Except as provided in this section, the bylaws adopted under
 218.31 this subdivision shall be similar in form and substance to bylaws adopted by the Metropolitan
 218.32 Sports Facilities Commission pursuant to Minnesota Statutes 2024, section 473.553.

219.1 Sec. 9. Minnesota Statutes 2024, section 473J.12, subdivision 2, is amended to read:

219.2 Subd. 2. **Other required agreements.** The NFL team or the authority shall give food,
 219.3 beverage, retail, and concession workers presently employed by the NFL team ~~or the~~
 219.4 ~~Metropolitan Sports Facilities Commission~~ or its vendors at the existing football stadium
 219.5 the opportunity to continue their employment in comparable positions at the new stadium.
 219.6 Workers who are presently represented under a collective bargaining agreement may seek
 219.7 to continue such representation in the facility and designate such, or another collective
 219.8 bargaining unit, as their representative.

219.9 Sec. 10. Minnesota Statutes 2024, section 473J.13, subdivision 3, is amended to read:

219.10 Subd. 3. **Public access.** The authority will work to maximize access for public and
 219.11 amateur sports, community, and civic events, and other public events in type and on terms
 219.12 consistent with those ~~currently~~ held at the ~~existing~~ football stadium, as defined in Minnesota
 219.13 Statutes 2024, section 473.551, subdivision 9. The authority may provide that these events
 219.14 have exclusive use of the premises at agreed-upon times subject to the scheduling rights of
 219.15 the NFL team under the lease or use agreement.

219.16 Sec. 11. **REPEALER.**

219.17 Subdivision 1. **Obsolete subdivision.** Minnesota Statutes 2024, section 137.50,
 219.18 subdivision 5, is repealed.

219.19 Subd. 2. **Obsolete section.** Minnesota Statutes 2024, section 473.551, is repealed.

219.20 Subd. 3. **Obsolete section.** Minnesota Statutes 2024, section 473.552, is repealed.

219.21 Subd. 4. **Obsolete section.** Minnesota Statutes 2024, section 473.553, subdivisions 1,
 219.22 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13, are repealed.

219.23 Subd. 5. **Obsolete section.** Minnesota Statutes 2024, section 473.556, subdivisions 1,
 219.24 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, and 17, are repealed.

219.25 Subd. 6. **Obsolete section.** Minnesota Statutes 2024, section 473.561, is repealed.

219.26 Subd. 7. **Obsolete section.** Minnesota Statutes 2024, section 473.564, subdivisions 2
 219.27 and 3, are repealed.

219.28 Subd. 8. **Obsolete section.** Minnesota Statutes 2024, section 473.565, is repealed.

219.29 Subd. 9. **Obsolete section.** Minnesota Statutes 2024, section 473.572, is repealed.

219.30 Subd. 10. **Obsolete section.** Minnesota Statutes 2024, section 473.581, is repealed.

- 220.1 Subd. 11. **Obsolete section.** Minnesota Statutes 2024, section 473.592, subdivision 1,
220.2 is repealed.
- 220.3 Subd. 12. **Obsolete section.** Minnesota Statutes 2024, section 473.595, is repealed.
- 220.4 Subd. 13. **Obsolete section.** Minnesota Statutes 2024, section 473.596, is repealed.
- 220.5 Subd. 14. **Obsolete section.** Minnesota Statutes 2024, section 473.598, is repealed.
- 220.6 Subd. 15. **Obsolete section.** Minnesota Statutes 2024, section 473.599, is repealed.
- 220.7 Subd. 16. **Obsolete section.** Minnesota Statutes 2024, section 473.5995, is repealed.
- 220.8 Subd. 17. **Obsolete section.** Minnesota Statutes 2024, section 473.76, is repealed.
- 220.9 Subd. 18. **Obsolete section.** Minnesota Statutes 2024, section 473.763, is repealed.

APPENDIX
Article locations for 26-06400

ARTICLE 1 MISCELLANEOUS..... Page.Ln 2.40
ARTICLE 2 METRODOME STATUTES CLEANUP..... Page.Ln 214.8

13.461 HUMAN SERVICES DATA CODED ELSEWHERE.

Subd. 16a. **Child fatality and near fatality review team.** Data practices of the commissioner of children, youth, and families as part of the child fatality and near fatality review team are governed by section 142A.03, subdivision 8.

137.50 DEFINITIONS.

Subd. 5. **Commission.** "Commission" means the Metropolitan Sports Facilities Commission.

142E.50 DEFINITIONS.

Subdivision 1. **Application.** For purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of children, youth, and families.

Subd. 7. **Department.** "Department" means the Department of Children, Youth, and Families.

256.9756 CAREGIVER RESPITE SERVICES GRANTS.

Subd. 3. **Report.** By January 15, 2026, the board shall submit a progress report about the caregiver respite services grants in this section to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over human services finance and policy. The progress report must include metrics of the use of grant program money. This subdivision expires upon submission of the report. The board shall notify the revisor of statutes when the report is submitted.

256B.092 SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES.

Subd. 4b. **Case management for persons receiving home and community-based services.** Persons authorized for and receiving home and community-based services may select from vendors of case management which have provider agreements with the state to provide home and community-based case management service activities. This subdivision becomes effective July 1, 1992, only if the state agency is unable to secure federal approval for limiting choice of case management vendors to the county of financial responsibility.

256R.50 BED RELOCATIONS.

Subd. 6. **Determination of rate adjustment.** (a) If the amount determined in subdivision 5 is less than or equal to the amount determined in subdivision 4, the commissioner shall allow a total payment rate equal to the amount used in subdivision 5, clause (3).

(b) If the amount determined in subdivision 5 is greater than the amount determined in subdivision 4, the commissioner shall allow a rate with a case mix index of 1.0 that when used in subdivision 5, clause (3), results in the amount determined in subdivision 5 being equal to the amount determined in subdivision 4.

(c) If the commissioner relies upon provider estimates in subdivision 5, clause (1) or (2), then annually, for three years after the rates determined in this section take effect, the commissioner shall determine the accuracy of the alternative factors of medical assistance case load and the facility average case mix index used in this section and shall reduce the total payment rate if the factors used result in medical assistance costs exceeding the amount in subdivision 4. If the actual medical assistance costs exceed the estimates by more than five percent, the commissioner shall also recover the difference between the estimated costs in subdivision 5 and the actual costs according to section 256B.0641. The commissioner may require submission of data from the receiving facility needed to implement this paragraph.

(d) When beds approved for relocation are put into active service at the destination facility, rates determined in this section must be adjusted by any adjustment amounts that were implemented after the date of the letter of approval.

(e) Rate adjustments determined under this subdivision expire after three full rate years following the effective date of the rate adjustment. This subdivision expires when the final rate adjustment determined under this subdivision expires.

257E.10 DEFINITIONS.

Subd. 11. **Presumed parent.** "Presumed parent" means an individual who under sections 257.51 to 257.74 is presumed to be a parent of a child, unless the requirements of section 257.57, subdivision

2, are met; the presumption is overcome in a judicial proceeding; a valid denial of parentage is made under this chapter; or a court adjudicates the individual to be a parent.

272.02 EXEMPT PROPERTY.

Subd. 31. **Business incubator property.** Property owned by a nonprofit charitable organization that qualifies for tax exemption under section 501(c)(3) of the Internal Revenue Code that is intended to be used as a business incubator in a high-unemployment county, is exempt. As used in this subdivision, a "business incubator" is a facility used for the development of nonretail businesses, offering access to equipment, space, services, and advice to the tenant businesses, for the purpose of encouraging economic development, diversification, and job creation in the area served by the organization, and "high-unemployment county" is a county that had an average annual unemployment rate of 7.9 percent or greater in 1997. Property that qualifies for the exemption under this subdivision is limited to no more than two contiguous parcels and structures that do not exceed in the aggregate 40,000 square feet. This exemption expires after taxes payable in 2016.

273.11 VALUATION OF PROPERTY.

Subd. 19. **Valuation exclusion for improvements to certain business property.** Property classified under section 273.13, subdivision 24, which is eligible for the preferred classification rate on the market value up to \$150,000, shall qualify for a valuation exclusion for assessment purposes, provided all of the following conditions are met:

(1) the building must be at least 50 years old at the time of the improvement or damaged by the 1997 floods;

(2) the building must be located in a city or town with a population of 10,000 or less that is located outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2;

(3) the total estimated market value of the land and buildings must be \$100,000 or less prior to the improvement and prior to the damage caused by the 1997 floods;

(4) the current year's estimated market value of the property must be equal to or less than the property's estimated market value in each of the two previous years' assessments;

(5) a building permit must have been issued prior to the commencement of the improvement, or if the building is located in a city or town which does not have a building permit process, the property owner must notify the assessor prior to the commencement of the improvement;

(6) the property, including its improvements, has received no public assistance, grants or financing except, that in the case of property damaged by the 1997 floods, the property is eligible to the extent that the flood losses are not reimbursed by insurance or any public assistance, grants, or financing;

(7) the property is not receiving a property tax abatement under section 469.1813; and

(8) the improvements are made after the effective date of Laws 1997, chapter 231, and prior to January 1, 1999.

The assessor shall estimate the market value of the building in the assessment year immediately following the year that (1) the building permit was taken out, or (2) the taxpayer notified the assessor that an improvement was to be made. If the estimated market value of the building has increased over the prior year's assessment, the assessor shall note the amount of the increase on the property's record, and that amount shall be subtracted from the value of the property in each year for five years after the improvement has been made, at which time an amount equal to 20 percent of the excluded value shall be added back in each of the five subsequent assessment years.

For any property, there can be no more than two improvements qualifying for exclusion under this subdivision. The maximum amount of value that can be excluded from any property under this subdivision is \$50,000.

The assessor shall require an application, including documentation of the age of the building from the owner, if unknown by the assessor. Applications must be received prior to July 1 of any year in order to be effective for taxes payable in the following year.

For purposes of this subdivision, "population" has the same meaning given in section 477A.011, subdivision 3.

Subd. 20. **Valuation exclusion for improvements to certain business property.** Property classified under section 273.13, subdivision 24, qualifies for a valuation exclusion for assessment purposes, provided all of the following conditions are met:

- (1) the building must have been damaged by the 2002 floods;
- (2) the building must be located in a city or town with a population of 10,000 or less that is located in a county in the area included in DR-1419;
- (3) the total estimated market value of the land and buildings must be \$150,000 or less for assessment year 2002;
- (4) a building permit must have been issued prior to the commencement of the improvement, or if the building is located in a city or town which does not have a building permit process, the property owner must notify the assessor prior to the commencement of the improvement;
- (5) the property is not receiving a property tax abatement under section 469.1813; and
- (6) the improvements are made before January 1, 2004.

The assessor shall estimate the market value of the building in the assessment year immediately following the year that (1) the building permit was taken out, or (2) the taxpayer notified the assessor that an improvement was to be made. If the estimated market value of the building has increased over the 2002 assessment before any reassessment due to flood damage, the assessor shall note the amount of the increase on the property's record, and that amount shall be subtracted from the value of the property in each year for five years after the improvement has been made. In each of the next five subsequent assessment years, an amount equal to 20 percent of the value excluded in the fifth year for that improvement shall be added back.

The maximum amount of value that can be excluded for all improvements to any property under this subdivision is \$50,000.

The assessor shall require an application. Applications must be received by December 31, 2002, or December 31, 2003, in order to be effective for taxes payable in the following year.

For purposes of this subdivision, "population" has the meaning given in section 477A.011, subdivision 3.

273.1315 CERTIFICATION OF CLASS 1B PROPERTY.

Subdivision 1. **Class 1b homestead declaration before 2009.** Any property owner seeking classification and assessment of the owner's homestead as class 1b property pursuant to section 273.13, subdivision 22, paragraph (b), on or before October 1, 2008, shall file with the commissioner of revenue a 1b homestead declaration, on a form prescribed by the commissioner. The declaration shall contain the following information:

- (1) the information necessary to verify that on or before June 30 of the filing year, the property owner or the owner's spouse satisfies the requirements of section 273.13, subdivision 22, paragraph (b), for 1b classification; and
- (2) any additional information prescribed by the commissioner.

The declaration must be filed on or before October 1 to be effective for property taxes payable during the succeeding calendar year. The declaration and any supplementary information received from the property owner pursuant to this subdivision shall be subject to chapter 270B. If approved by the commissioner, the declaration remains in effect until the property no longer qualifies under section 273.13, subdivision 22, paragraph (b). Failure to notify the commissioner within 30 days that the property no longer qualifies under that paragraph because of a sale, change in occupancy, or change in the status or condition of an occupant shall result in the penalty provided in section 273.124, subdivision 13b, computed on the basis of the class 1b benefits for the property, and the property shall lose its current class 1b classification.

The commissioner shall provide to the assessor on or before November 1 a listing of the parcels of property qualifying for 1b classification.

273.1385 AID FOR PUBLIC EMPLOYEES RETIREMENT ASSOCIATION EMPLOYER CONTRIBUTION RATE INCREASE.

Subdivision 1. **Aid to offset rate increase.** Beginning with the December 26, 1997, payment, and according to the schedule for payment of local aid under section 477A.015 thereafter, the commissioner of revenue shall pay to each city, county, town, and other nonschool jurisdiction an

amount equal to 0.35 percent of the fiscal year 1997 payroll for employees who were members of the general plan of the Public Employees Retirement Association. Except for the December 1997 distribution under this section, the amount of aid must be certified before September 1 of the year preceding the distribution year to the affected local government. The executive director of the Public Employees Retirement Association shall certify the general plan fiscal year covered payroll and other information requested by the commissioner of revenue, on or before August 1, 1997, and in subsequent years where necessary, in order to facilitate administration of this section. The amount necessary to make these aid payments is appropriated annually from the general fund to the commissioner of revenue. Expenditures under this section are estimated to be \$7,942,500 in fiscal year 1998, and \$15,885,000 in each subsequent fiscal year, less any future reductions under subdivision 2.

Subd. 2. Limit on aid and potential future permanent aid reductions. (a) The aid amount received by any jurisdiction in fiscal year 2000 or any year thereafter may not exceed the amount it received in fiscal year 1999. The commissioner may, from time to time, request the most recent fiscal year payroll information by jurisdiction to be certified by the executive director of the Public Employees Retirement Association. For any jurisdiction where newly certified public employees retirement association general plan payroll is significantly lower than the fiscal 1997 amount, as determined by the commissioner, the commissioner shall recalculate the aid amount based on the most recent fiscal year payroll information, certify the recalculated aid amount for the next distribution year, and permanently reduce the aid amount to that jurisdiction.

(b) Aid to a jurisdiction must not be reduced under this section due to a transfer of an employee from the general plan of the Public Employees Retirement Association to the local government correctional service plan administered by the Public Employees Retirement Association. The executive director of the Public Employees Retirement Association must provide the commissioner of revenue with any information requested by the commissioner to administer this paragraph.

Subd. 3. Effect of reorganizations. The commissioner of revenue may adjust the aid amounts for separate jurisdictions to account for significant changes in boundaries or in the form of government, as determined by the commissioner. If a local government function and the associated Public Employees Retirement Association general plan payroll is assumed by either the state, or a nonpublic organization, the aid amounts attributable to the function under this section must terminate.

Subd. 4. Aid termination. The aid provided under this section terminates on June 30, 2020.

289A.60 CIVIL PENALTIES.

Subd. 15. Accelerated payment of June sales tax liability; penalty for underpayment. (a) For payments made after December 31, 2019 and before December 31, 2021, if a vendor is required by law to submit an estimation of June sales tax liabilities and 87.5 percent payment by a certain date, the vendor shall pay a penalty equal to ten percent of the amount of actual June liability required to be paid in June less the amount remitted in June. The penalty must not be imposed, however, if the amount remitted in June equals the lesser of 87.5 percent of the preceding May's liability or 87.5 percent of the average monthly liability for the previous calendar year.

(b) For payments made after December 31, 2021, the penalty must not be imposed if the amount remitted in June equals the lesser of 84.5 percent, or a reduced percentage as certified by the commissioner under section 16A.152, subdivision 2, paragraph (a), clause (6), of the preceding May's liability or 84.5 percent of the average monthly liability for the previous calendar year.

(c) This subdivision expires after the percentage of estimated payment is reduced to zero in accordance with section 16A.152, subdivision 2, paragraph (a), clause (6).

297I.15 EXEMPTIONS FROM TAX.

Subd. 2. Minnesota employees insurance program. To the extent that the Minnesota employees insurance program under section 43A.317 operates as a self-insured group, the premiums paid to the program are exempt from the taxes imposed under this chapter, but are subject to a Minnesota Comprehensive Health Association assessment under section 62E.11.

383B.1511 JOB ORDER CONTRACTING.

Subdivision 1. Definitions. (a) In this section, the definitions in this subdivision apply.

(b) "Job order contracting" means a project delivery method that requests a limited number of bids from a list of qualified contractors, selected from a registry of qualified contractors who have been prescreened and who have entered into master contracts with the county, as provided in this section.

APPENDIX
Repealed Minnesota Statutes: 26-06400

(c) "Project" means an undertaking by the county to construct, alter, maintain, repair, or enlarge a building, structure, road, or bridge, or make other improvements.

(d) "Request for qualifications" means the document or publication soliciting qualifications for a job order contracting contract.

Subd. 2. **Authority.** Notwithstanding any law to the contrary, the county may utilize job order contracting for projects that do not exceed a construction cost of \$250,000.

Subd. 3. **Job order contracting request for qualifications.** (a) The county is authorized to issue a request for qualifications that includes the criteria that will be used for the projects, provided that these criteria (1) do not unduly restrict competition or impose conditions beyond reasonable requirements, in order to ensure maximum participation of all qualified contractors, and (2) do not relate to the collective bargaining status of the contractor.

(b) The request for qualifications must be publicized in a manner designated by the county that ensures open and unrestricted access for any potential responder. To the extent practical, this must include posting on a county website.

Subd. 4. **Qualified contractors.** (a) The county shall review the responses to the request for qualifications and determine each proposer's ability to enter into the master contract that will be utilized for the projects. The county shall establish a list of qualified contractors based on the proposers' ability to enter into a master contract as described in the request for qualifications.

(b) The county may establish a reasonable limit to the number of contractors on the registry of qualified contractors, based on the reasonable needs of the county. The county may reserve up to 75 percent of the registry for certified small business enterprises that may include minority-owned business enterprises, women-owned business enterprises, and veteran-owned businesses. The remaining 25 percent of the registry may include qualified businesses of any size or ownership.

(c) The county shall establish procedures to allow firms to submit qualifications at least every 24 months to allow placement on the list of contractors qualified to enter into a master contract. The county is not prohibited from accepting qualifications more frequently or on an ongoing or rolling basis.

Subd. 5. **Construction services bidding.** The county shall request bids for construction services for any project using job order contracting from qualified contractors as follows:

(1) for projects up to a maximum cost of \$50,000, the county shall request a minimum of two bids;

(2) for projects with a cost greater than \$50,000, but less than or equal to \$100,000, the county shall request a minimum of three bids; and

(3) for projects with a cost greater than \$100,000, but less than or equal to \$250,000, the county shall request a minimum of four bids.

Subd. 6. **Qualified contractor selection.** The county shall select the contractor who submits the lowest price bid for the construction services proposed. At the discretion of the county, any or all bids may be rejected if it is determined to be in the best interest of the county.

Subd. 7. **Reasonable distribution of bid requests among qualified contractors.** The county, in requesting bidding for projects using job order contracting as described in this section, shall develop a system to ensure a reasonable opportunity for all qualified contractors to periodically bid on construction services.

Subd. 8. **Expiration.** The authority to enter into new contracts under this section expires on December 31, 2019.

Subd. 9. **Reporting.** Hennepin County must provide reports to the chairs of the committees in the senate and the house of representatives that have jurisdiction over local government operations, describing the uses of the authority provided in this section. Uses of the authority described in the reports may include identifying the total number of projects where this procurement method was used, the total number of contractors qualified by the county, and the total annual expenditures for projects under this section. The first report must be made by January 15, 2018, and subsequent reports must be made on January 15 of each subsequent even-numbered year.

473.551 DEFINITIONS.

Subdivision 1. **Terms.** For the purposes of sections 473.551 to 473.599, the following terms shall have the meanings given in this section.

Subd. 2. **Cities.** "Cities" means the cities of Minneapolis, Bloomington, and Richfield.

Subd. 3. **Commission.** "Commission" means the Metropolitan Sports Facilities Commission.

Subd. 4. **Metrodome debt service.** "Metrodome debt service" means the principal and interest due each year on all bonds or revenue anticipation certificates issued by the council under section 473.581.

Subd. 5. **Metropolitan sports area.** "Metropolitan sports area" means the real estate in the city of Bloomington described in the ownership and operations agreement, and all buildings, structures, improvements and equipment thereon including the met center, owned by the cities on May 17, 1977, the date of enactment of sections 473.551 to 473.595, and since transferred to the commission pursuant to sections 473.551 to 473.595.

Subd. 6. **Metropolitan Sports Area Commission.** "Metropolitan Sports Area Commission" means that commission established by an ownership and operations agreement made and entered into as of August 13, 1954, validated by Laws 1955, Chapter 445, to which the cities were parties on May 17, 1977.

Subd. 7. **Multipurpose sports facility.** "Multipurpose sports facility" means a single unit sports facility suitable for university or major league professional baseball, football, and soccer.

Subd. 8. **Sports facility or sports facilities.** "Sports facility" or "sports facilities" means real or personal property comprising a stadium, stadiums, or arenas suitable for university or major league professional baseball, for university or major league professional football and soccer, or for both, or for university or major league hockey or basketball, or for both, together with adjacent parking facilities, including on the effective date of Laws 1994, chapter 648, the metrodome, the met center, and, upon acquisition by the commission, the basketball and hockey arena.

Subd. 9. **Metrodome.** "Metrodome" means the Hubert H. Humphrey Metrodome located in the city of Minneapolis constructed and owned by the commission and financed by the bonds of the council issued pursuant to sections 473.551 to 473.595, including all real estate, buildings, improvements, and equipment in and on them.

Subd. 10. **Basketball and hockey arena.** "Basketball and hockey arena" means the indoor arena building currently occupied and utilized for the playing of university or major league basketball, hockey, and other purposes located in the city of Minneapolis, including all improvements and equipment in the arena and the leasehold or other interest in the arena land appurtenant to the arena, but excluding the health club.

Subd. 11. **Health club.** "Health club" means that separate portion of the basketball and hockey arena building occupied and utilized by a private sports and health club on the effective date of Laws 1994, chapter 648, the improvements and equipment in and on it, and the leasehold or other interest in the arena land appurtenant to it.

Subd. 12. **Met Center.** "Met Center" means the real estate in the city of Bloomington presently owned by the commission, formerly utilized for major league hockey, and all buildings, improvements, and equipment in and on it.

Subd. 13. **Development agreement.** "Development agreement" means the second amended and restated development agreement among the Minneapolis Community Development Agency, Northwest Racquet, Swim & Health Clubs, Inc., and the city of Minneapolis dated August 5, 1988, and as amended before the effective date of Laws 1994, chapter 648.

Subd. 14. **Ground lease.** "Ground lease" means the ground lease of the arena land between the Minneapolis Community Development Agency and Northwest Racquet, Swim & Health Clubs, Inc., dated August 5, 1988, and as amended before the effective date of Laws 1994, chapter 648.

Subd. 15. **Guarantors.** "Guarantors" means the individuals who have guaranteed to the Minneapolis Community Development Agency and the city of Minneapolis the performance of the development agreement, ground lease, and certain other obligations pursuant to written guaranty dated February 17, 1988.

Subd. 16. **Arena land.** "Arena land" means the real estate upon which the basketball and hockey arena and health club have been constructed and any adjacent parcel or parcels which are owned

by the city of Minneapolis and subject to the development agreement or the ground lease and all rights, privileges, and easements appertaining to it.

Subd. 17. **Basketball and hockey arena debt service.** "Basketball and hockey arena debt service" means the principal and interest due each year on all bonds or revenue anticipation certificates issued by the council under section 473.599.

473.552 LEGISLATIVE POLICY; PURPOSE.

The legislature finds that

(a) the population in the metropolitan area has a need for sports facilities and that this need cannot be met adequately by the activities of individual municipalities, by agreements among municipalities, or by the private efforts of the people in the metropolitan area,

(b) the commission's ownership and operation of the metrodome and met center has met in part the foregoing need and has promoted the economic and social interests of the metropolitan area, of the state, and of the public, and

(c) the commission's acquisition of the basketball and hockey arena on the terms and conditions provided in sections 473.598 and 473.599 shall similarly and more fully meet the foregoing needs and promote these interests.

It is therefore necessary for the public health, safety and general welfare to establish a procedure for the acquisition and betterment of sports facilities and to create a Metropolitan Sports Facilities Commission.

473.553 COMMISSION; MEMBERSHIP; ADMINISTRATION.

Subdivision 1. **General.** The Metropolitan Sports Facilities Commission is established and shall be organized, structured, and administered as provided in this section.

Subd. 2. **Membership.** The commission shall consist of six members, appointed by the city council of the city in which the stadium is located plus a chair appointed as provided in subdivision 3.

Subd. 3. **Chair.** The chair shall be appointed by the governor as the ninth voting member and shall meet all of the qualifications of a member, except the chair need only reside outside the city of Minneapolis. The chair shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned by the commission or by law. The commission may appoint from among its members a vice-chair to act for the chair during temporary absence or disability.

Subd. 4. **Qualifications.** A member shall not during a term of office hold the office of Metropolitan Council member or be a member of another metropolitan agency or hold any judicial office or office of state government. None of the members appointed by the city council of the city in which the stadium is located shall be an elected public official of that city or of another political subdivision any part of whose territory is shared with that city. Each member shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, article V, section 6. The oath, duly certified by the official administering it, shall be filed with the chair of the Metropolitan Council.

Subd. 5. **Terms.** The terms of three members shall end the first Monday in January in the year ending in the numeral "5." The terms of the other members and the chair shall end the first Monday in January in the year ending in the numeral "7." The term of each member and the chair shall be four years. The terms shall continue until a successor is appointed and qualified. Members may be removed only for cause.

Subd. 6. **Vacancies.** A vacancy shall be filled by the appointing authority in the same manner in which the original appointment was made.

Subd. 7. **Compensation.** Each commission member shall be paid \$50 for each day when the member attends one or more meetings or provides other services, as authorized by the commission, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties. The chair of the Metropolitan Sports Facilities Commission shall receive, unless otherwise provided by other law, a salary in an amount fixed by the members of the commission and shall be reimbursed for reasonable expenses to the same extent as a member. The annual budget of each commission shall provide as a separate account anticipated expenditures for per diem, travel, and associated

APPENDIX
Repealed Minnesota Statutes: 26-06400

expenses for the chair and members, and compensation or reimbursement shall be made to the chair and members only when budgeted.

Subd. 8. Regular and special meetings. The commission shall meet regularly at least once each month, at such time and place as the commission shall by resolution designate. Special meetings may be held at any time upon the call of the chair or a majority of the members, upon written notice to each member at least three days prior to the meeting, or upon such other notice as the commission may by resolution provide. Unless otherwise provided, any action within the authority of the commission may be taken by the affirmative vote of a majority of the members. A majority of all of the members of the commission shall constitute a quorum, but a lesser number may meet and adjourn from time to time and compel the attendance of absent members.

Subd. 9. Personnel code; merit system. (a) The council shall by resolution adopt guidelines for a personnel code relating to the employees of the commission, except that nothing in Laws 1974, chapter 422, shall impair the rights of the commission or employee under sections 473.405 and 473.415. After adoption of the guidelines, the commission shall by resolution adopt a personnel code in general conformance therewith. The code shall include a job classification plan, procedures for employment and promotion of personnel based on merit, procedures for the demotion, suspension, or discharge of employees, procedures for hearing grievances, procedures for salary administration, and such other provisions as the council deems appropriate. In addition, the code shall provide for the development by the commission of affirmative action plans, as provided in section 473.143. The executive director of the commission shall administer the code, and the commission shall not take any action inconsistent with the personnel code.

(b) When a commission employee has been demoted, suspended, or dismissed by the executive director, the employee may, within 30 days after such action becomes effective, file with the commission a written request for a hearing showing the position from which the employee was dismissed, the date of dismissal, and the reason for requesting the hearing, full name and present mailing address. Upon receipt of a request for a hearing the commission shall appoint three of its members to act as an appeal committee and preside at a hearing on the action of the executive director. The hearing shall be held within 30 days after the request is received by the commission, upon written notice mailed or delivered to the employee at the employee's present mailing address, not less than seven days before the hearing. The appeal committee shall approve or disapprove the action of the executive director, and in the case of approval the action of the executive director shall be final. In the case of disapproval the appeal committee may reinstate the employee under such conditions as it deems proper, and may order the payment to the employee of compensation lost as a result of the demotion, suspension or dismissal.

Subd. 10. Secretary and treasurer. At its first regular meeting each year the commission shall appoint a secretary and a treasurer or, in the alternative, a secretary-treasurer. The secretary and treasurer, or secretary-treasurer, may, but need not be, members of the commission, and shall hold office at the pleasure of the commission, subject to the terms of any contract of employment which the commission may enter into with the secretary or treasurer. The secretary shall record the minutes of all meetings of the commission and shall be the custodian of all books and records of the commission except such as the commission shall entrust to the custody of a designated employee. The treasurer shall be the custodian of all moneys received by the commission except such as the commission shall entrust to the custody of a designated employee. The commission may appoint a deputy to perform any and all functions of either the secretary or the treasurer.

Subd. 11. Executive director. The chair of the commission shall, subject to the approval of the commission, appoint an executive director who shall be chosen solely on the basis of training, experience, and other qualifications, and who shall serve at the pleasure of the commission. The executive director shall attend meetings of the commission, but shall not vote, and shall have the following powers and duties:

(a) See that all resolutions, rules, or orders of the commission are enforced.

(b) Appoint and remove, subject to the provisions of the personnel code adopted pursuant to subdivision 9, upon the basis of merit and fitness, all subordinate officers and regular employees of the commission.

(c) Present to the commission plans, studies, and reports prepared for commission purposes and recommend to the commission for adoption such measures as the executive director deems necessary to enforce or carry out the powers and duties of the commission, or to the efficient administration of the affairs of the commission.

APPENDIX
Repealed Minnesota Statutes: 26-06400

(d) Keep the commission fully advised as to its financial condition, and prepare and submit to the commission its annual budget and such other financial information as it may request.

(e) Recommend to the commission for adoption such rules as the executive director deems necessary for the efficient operation of the commission's functions.

(f) Perform such other duties as may be prescribed by the commission.

Subd. 12. Commission operating procedures. (a) The commission shall adopt resolutions and bylaws, an administrative code establishing procedures for commission action, keeping records, approving claims, authorizing and making disbursements, authorizing contracts, safekeeping funds and audit of all financial operations of the commission.

(b) The commission and the council may enter into contracts with each other and with other commissions and governmental units for the joint exercise of powers in the manner provided by section 471.59; provided that the commission shall not enter into any contract with the council which would assign any operations authority, responsibility or function, other than planning or making studies, from the commission to the council.

Subd. 13. Relocation payment standards. In all acquisitions the commission shall provide as a cost of acquisition the relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), United States Code, title 42, section 4601, et seq.

473.556 POWERS OF COMMISSION.

Subdivision 1. General. The commission shall have all powers necessary or convenient to discharge the duties imposed by law, including but not limited to those specified in this section.

Subd. 2. Actions. The commission may sue and be sued, and shall be a public body within the meaning of chapter 562.

Subd. 3. Acquisition of property. The commission may acquire by lease, purchase, gift, or devise all necessary right, title, and interest in and to real or personal property deemed necessary to the purposes contemplated by sections 473.551 to 473.599 within the limits of the metropolitan area.

Subd. 4. Exemption of property. Any real or personal property acquired, owned, leased, controlled, used, or occupied by the commission for any of the purposes of sections 473.551 to 473.599 is declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from ad valorem taxation by the state or any political subdivision of the state, provided that such properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any such properties in any manner different from their use under sections 473.551 to 473.599 at the time shall be considered in determining the special benefit received by the properties. All assessments shall be subject to final confirmation by the council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment. Notwithstanding the provisions of section 272.01, subdivision 2, or 273.19, real or personal property leased by the commission to another person for uses related to the purposes of sections 473.551 to 473.599, including the operation of the metrodome, met center, and, if acquired by the commission, the basketball and hockey arena shall be exempt from taxation regardless of the length of the lease. The provisions of this subdivision, insofar as they require exemption or special treatment, shall not apply to any real property comprising the met center which is leased by the commission for residential, business, or commercial development or other purposes different from those contemplated in sections 473.551 to 473.599.

Subd. 5. Facility operation. The commission may equip, improve, operate, manage, maintain, and control the Metrodome, Met Center, basketball and hockey arena and sports facilities constructed, remodeled, or acquired under the provisions of sections 473.551 to 473.599.

Subd. 6. Disposition of property. (a) The commission may sell, lease, or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property shall be sold in accordance with the procedures provided by section 469.065, insofar as practical and consistent with sections 473.551 to 473.599.

(b) The proceeds from the sale of any real property at the metropolitan sports area shall be paid to the council and used for debt service or retirement.

APPENDIX
Repealed Minnesota Statutes: 26-06400

Subd. 7. **Contracts.** The commission may contract for materials, supplies, and equipment in accordance with section 471.345, except that the commission may employ persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, construction manager, or contractor for both design and construction, with respect to all or any part of a project to build or remodel sports facilities. Contractors shall be selected through the process of public bidding, provided that it shall be permissible for the commission to narrow the listing of eligible bidders to those which the commission determines to possess sufficient expertise to perform the intended functions. Any construction manager or contractor shall certify, before the contracts are finally signed, a construction price and completion date to the commission and shall post a bond in an amount at least equal to 100 percent of the certified price, to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date. The commission shall secure surety bonds as required in section 574.26, securing payment of just claims in connection with all public work undertaken by it. Persons entitled to the protection of the bonds may enforce them as provided in sections 574.28 to 574.32, and shall not be entitled to a lien on any property of the commission under the provisions of sections 514.01 to 514.16.

Subd. 8. **Employees; contracts for services.** The commission may employ persons and contract for services necessary to carry out its functions. The commission may employ on such terms as it deems advisable persons or firms for the purpose of providing traffic officers to direct traffic on property under the control of the commission and on the city streets in the general area of the property controlled by the commission. The traffic officers shall not be peace officers and shall not have authority to make arrests for violations of traffic rules.

Subd. 9. **Gifts and grants.** The commission may accept gifts of money, property, or services, may apply for and accept grants or loans of money or other property from the United States, the state, any subdivision of the state, or any person for any of its purposes, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money, property, or services in accordance with the terms of the gift, grant, loan or agreement relating thereto. Except for the acquisition, clearance, relocation, and legal costs referred to in section 473.581, subdivision 3, clauses (d) and (e), the commission shall not accept gifts, grants, or loans valued in excess of \$2,000,000 without the prior approval of the council. In evaluating proposed gifts, grants, loans, and agreements required in connection therewith, the council shall examine the possible short-range and long-range impact on commission revenues and commission operating expenditures.

Subd. 10. **Research.** The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 11. **Agreements with university.** The commission and the Board of Regents of the University of Minnesota may enter into agreements and do all other acts necessary to further the functions prescribed in sections 473.551 to 473.599.

Subd. 12. **Use agreements.** The commission may lease, license, or enter into agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial or other entertainment, instruction, or activity for the citizens of the metropolitan area. Any such use agreement may provide that the other contracting party shall have exclusive use of the premises at the times agreed upon.

Subd. 13. **Insurance.** The commission may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against liability of the commission or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 14. **Small business contracts.** In exercising its powers to contract for the purchase of services, materials, supplies, and equipment, pursuant to subdivisions 5, 7, 8 and 10, the commission shall designate and set aside each fiscal year for awarding to small businesses approximately ten percent of the value of anticipated contracts and subcontracts of that kind for that year, in the manner required of the commissioner of administration for state procurement contracts pursuant to sections 16C.16 to 16C.19. The commission shall follow the rules promulgated by the commissioner of administration pursuant to section 16C.19, and shall submit reports of the kinds required of the commissioners of administration and economic development by section 16C.18.

APPENDIX
Repealed Minnesota Statutes: 26-06400

Subd. 16. **Agreements with Amateur Sports Commission.** (a) The commission and the Minnesota Amateur Sports Commission created pursuant to chapter 240A may enter into long-term leases, use or other agreements for the conduct of amateur sports activities at the basketball and hockey arena, and the net revenues from the activities may be pledged for basketball and hockey arena debt service. The commission, with the advice of the Minnesota Amateur Sports Commission, shall establish standards to provide reasonable assurances to other public bodies owning or operating an entertainment or sports complex or indoor sports arena in the metropolitan area that the agreements between the commission and the Minnesota Amateur Sports Commission with respect to the basketball and hockey arena shall not remove the conduct of amateur sports activities currently and traditionally held at such facilities.

(b) Any long-term lease, use, or other agreement entered into by the Minnesota Amateur Sports Commission with the commission under paragraph (a) must also:

(1) provide for a release of the Minnesota Amateur Sports Commission from its commitment under the agreement if the legislature repeals or amends a standing appropriation or otherwise does not appropriate sufficient money to fund the lease or agreement to the Minnesota Amateur Sports Commission; and

(2) provide for a release of the Minnesota Amateur Sports Commission from its commitment under the agreement and permit it to agree to a per event use fee when the bonds issued for the metrodome under section 473.581 have been retired.

(c) No long-term lease, use, or other agreement entered into by the Minnesota Amateur Sports Commission under paragraph (a) may commit the amateur sports commission to paying more than \$750,000 per year.

(d) Any long-term lease, use, or other agreement entered into under paragraph (a) shall provide that the Minnesota Amateur Sports Commission shall be entitled to use of the basketball and hockey arena for 50 event days per year. In addition, any long-term lease, use, or other agreement entered into under paragraph (a) shall permit the Minnesota Amateur Sports Commission to allow another person or organization to use one or more of its days.

Subd. 17. **Creating a condominium.** The commission may, by itself or together with the Minneapolis Community Development Agency and any other person, as to real or personal property comprising or appurtenant or ancillary to the basketball and hockey arena and the health club, act as a declarant and establish a condominium or leasehold condominium under chapter 515A or a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements and similar benefits and burdens that the commission may deem necessary or appropriate, and exercise any and all rights and privileges and assume obligations under them as a declarant, unit owner or otherwise, insofar as practical and consistent with sections 473.551 to 473.599. The commission may be a member of an association and the chair, any commissioners and any officers and employees of the commission may serve on the board of an association under chapter 515A or 515B.

473.561 EXEMPTION FROM COUNCIL REVIEW.

The acquisition and betterment of sports facilities by the commission shall be conducted pursuant to sections 473.551 to 473.599 and shall not be affected by the provisions of sections 473.165 and 473.173.

473.564 METROPOLITAN SPORTS AREA.

Subd. 2. **Assumption of obligations.** Nothing herein shall be construed as imposing upon the council or commission an obligation to compensate the cities or the metropolitan sports area commission for all or any part of the metropolitan sports area or to continue to operate and maintain the metropolitan sports area facilities taken over by the commission.

Subd. 3. **Employees.** Upon transfer of ownership all persons then employed by the metropolitan sports area commission shall be transferred to the metropolitan sports facilities commission without loss of right or privilege. Nothing in this section shall be construed to give any such person the right or privilege to continue in the same level or classification of employment previously held. The metropolitan sports facilities commission may assign any such person to an employment level and classification which it deems appropriate and desirable in accordance with its personnel code.

473.565 POST 1977 SERVICE IN MSRS; EXCEPTIONS.

Subdivision 1. **In MSRS; exceptions.** All employees of the commission shall be members of the Minnesota State Retirement System with respect to service rendered on or after May 17, 1977, except as provided in this section.

Subd. 2. **Temporary and part-time employees.** Temporary employees hired for a period of less than six months and part-time employees hired to work less than 30 hours per week shall be excluded from membership in the retirement system if the commission certifies them to the executive director of the retirement system as being temporary or part-time employees.

Subd. 3. **PERA election.** Any employee of the commission who was an employee of the Metropolitan Sports Area Commission on May 17, 1977, and who was a member of the Public Employees Retirement Association on account of that employment may elect no later than 30 days following transfer of employment to the commission to remain a member of the Public Employees Retirement Association. The election shall be made on forms provided by the commission, and the commission shall give immediate notice of any such elections to the executive directors of the Public Employees Retirement Association and the Minnesota State Retirement System. Any person who makes such an election shall be excluded from membership in the Minnesota State Retirement System with respect to employment by the commission. The commission shall make the required employer contributions to the Public Employees Retirement Association.

Subd. 4. **Retroactive pay, inclusion.** Any permanent full-time employee of the commission who was a permanent full-time employee of the Metropolitan Sports Area Commission on May 17, 1977, for whom the prior employment was not covered by the Public Employees Retirement Association, may obtain allowable service credit in the Minnesota State Retirement System by paying to the retirement system (a) an amount equal to four percent of current salary rate multiplied by the days and months of such prior service for which the employee desires to obtain allowable service credit plus (b) a matching amount representing the employer's required contributions, except that the commission may agree to pay the matching amount on behalf of its employees. Proof of prior permanent full-time service and the duration thereof shall be established by the certification of the commission to the executive director of the retirement system. The payments shall be made either in a lump sum or by payroll deduction arranged for on or before July 1, 1978.

473.572 REVISED FINAL DETERMINATION.

Subdivision 1. **Determinations before bonds.** The council shall make all determinations required by sections 473.581, subdivision 3, and 473.599 before it authorizes the issuance of bonds.

Subd. 2. **Self-supporting effort.** It is the intent of the legislature that the commission shall, to the maximum extent possible consistent with the provisions of section 473.581, subdivision 3, impose rates, rentals and other charges in the operation of the metrodom which will make the metrodom self supporting so that the taxes imposed under section 473.592 for the metrodom will be at the lowest possible rate consistent with the obligations of the city of Minneapolis as provided in sections 473.551 to 473.595.

473.581 DEBT OBLIGATIONS.

Subdivision 1. **Bonds.** The council may by resolution authorize the sale and issuance of its bonds for any or all of the following purposes:

(a) To provide funds for the acquisition or betterment of the Metrodome by the commission pursuant to sections 473.551 to 473.595;

(b) To refund bonds issued hereunder; and

(c) To fund judgments entered by any court against the commission or against the council in matters relating to the commission's functions related to the Metrodome and the Met Center.

Subd. 2. **Procedure.** The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.595, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.595, excepting only the admissions tax and surcharge related to the basketball and hockey arena provided in section 473.595, subdivision 1a, the taxes for the basketball and hockey arena provided in section 473.592, and other revenues attributable to the basketball and hockey arena. The bonds shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other

APPENDIX
Repealed Minnesota Statutes: 26-06400

subdivision of the state for the purpose of any net debt limitation, provided that nothing herein shall affect the obligation of the city of Minneapolis to levy a tax pursuant to agreements made under the provisions of section 473.592. No election shall be required. The principal amount shall not be limited except as provided in subdivision 3.

Subd. 3. **Limitations.** The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the total cost of constructing the facility under the construction contracts, not including costs paid from funds provided by others, and the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$42,000,000. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing Metropolitan Stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of 7-1/2 percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use the Metrodome for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the Metrodome. The agreements may contain provisions negotiated between the organizations and the commission which provide for termination upon conditions related and limited to the bankruptcy, insolvency, or financial capability of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission but excluding proceeds of the taxes under section 473.592, to pay all expenses of operation, maintenance, administration, and debt service for the use of the Metrodome by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the Metrodome may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission for expenditures on the Metrodome, to construct or remodel and to furnish the Metrodome proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of the Metrodome or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the

APPENDIX
Repealed Minnesota Statutes: 26-06400

receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of the Metrodome of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed agreements which will provide for the construction of the Metrodome for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date.

(h) The environmental impact statement for the Metrodome has been accepted by the Environmental Quality Board, and the Pollution Control Agency and any other department, agency, or unit of government have taken the actions necessary to permit the construction of the Metrodome.

(i) At least 50 percent of the private boxes provided for in the commission's proposal for the Metrodome are sold or leased for at least five years.

(j) The anticipated revenue from the operation of the Metrodome plus any additional available revenue of the commission and the revenue from the taxes under section 473.592 will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(k) The commission has studied and considered the needs of the University of Minnesota for athletic facilities for a prospective 20 year period.

(l) The city of Minneapolis has entered into an agreement as contemplated in section 473.592 as security for the Metrodome debt service.

(m) The commission has entered into an agreement or agreements with a purchaser or purchasers of tickets of admission for a period of not less than 20 years which will assure that whenever more than 90 and less than 100 percent of the tickets of admission for seats at any professional football game, which were available for purchase by the general public 120 hours or more before the scheduled beginning time of the game either at the Metrodome where the game is to be played or at the box office closest to the Metrodome, have been purchased 72 hours or more before the beginning time of the game, then all of such tickets which remain unsold will be purchased in sufficient time to permit the telecast to areas within the state which otherwise would not receive the telecast because of the terms of an agreement in which the professional football league has sold or otherwise transferred all or part of the rights of the league's member organizations in the sponsored telecasting of games of the organizations. The party or parties agreeing to the purchase of such unsold tickets shall be obligated for a period of at least 20 years in an amount determined by the council to be sufficient to assure the purchase of all such unsold tickets.

(n) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the city of Minneapolis.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Subd. 4. **Security.** To the extent and in the manner provided in sections 473.592 and 473.595, the taxes described in section 473.592 for the Metrodome, the tax and other revenues of the commission described in section 473.595, subdivision 1, and any other revenues of the commission

APPENDIX
Repealed Minnesota Statutes: 26-06400

attributable to the Metrodome shall be and remain pledged and appropriated for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the Metrodome until all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other Metrodome and Met Center revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax and other revenues referred to in sections 473.551 to 473.595 (excepting only the admissions tax and surcharge related to the basketball and hockey arena provided in section 473.595, subdivision 1a, taxes described in section 473.592 for the basketball and hockey arena, and other revenues attributable to the basketball and hockey arena) from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the Uniform Commercial Code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the commission, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, commission, or city, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Subd. 5. Revenue anticipation certificates. At any time or times after approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of the Metrodome, and in anticipation of the proceeds from the taxes under section 473.592 for the Metrodome and the revenues of the commission provided for in the budget, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year. Prior to the approval and final adoption of the first annual budget of the commission, the council may authorize up to \$300,000 in revenue anticipation certificates under this subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest thereon shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax and other revenues received, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues or taxes may be used or for any purpose for which bond proceeds under subdivision 1 may be used, provided that the proceeds of certificates issued after May 26, 1979, shall not be used to pay capital costs of the Metrodome constructed or remodeled pursuant to sections 473.551 to 473.595.

473.592 TAX REVENUES.

Subdivision 1. Local sales tax. The city of Minneapolis may enter into agreements with the Metropolitan Council and the commission which requires the municipality to impose a sales tax, supplemental to the general sales tax imposed in chapter 297A, for the purposes and in accordance with the requirements specified in sections 473.551 to 473.599. The tax may be imposed:

(a) on the gross receipts from all retail on-sales of intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor establishments and municipal liquor stores located within the municipality,

(b) notwithstanding any limitations of Laws 1986, chapter 396, section 5, clause (2), on the gross receipts from the furnishing for consideration of lodging for a period of less than 30 days at a hotel, motel, rooming house, tourist court, or trailer camp located within the municipality,

(c) on the gross receipts on all sales of food primarily for consumption on or off the premises by restaurants and places of refreshment as defined by resolution of the city, or

(d) on any one or combination of the foregoing.

APPENDIX
Repealed Minnesota Statutes: 26-06400

A tax under this subdivision shall be imposed only within a downtown taxing area to be determined by the council.

The agreement or agreements between the city, the Metropolitan Council, and the commission shall require the municipality to impose the tax or taxes at whatever rate or rates may be necessary to produce revenues which are determined by the council from year to year to be required, together with the revenues available to the commission, to pay when due all debt service on bonds and revenue anticipation certificates issued under section 473.581, all debt service on bonds and revenue anticipation certificates issued under section 473.599, and all expenses of operation, administration, and maintenance of the Metrodome and the basketball and hockey arena. When it is determined that a tax must be imposed under this subdivision after the effective date of Laws 1994, chapter 648, there shall be added to the rate of the tax imposed for the purposes described in the previous sentence a tax at a rate of 0.25 percent for use by the city to fund recreational facilities and programs in the city's neighborhoods for children and youth through the Minneapolis Park and Recreation Board. The agreements shall provide for the suspension, reimposition, reduction, or increase in tax collections upon determination by the Metropolitan Council that such actions are appropriate or necessary for the purposes for which the tax is imposed, provided that the balance in each of the Metrodome debt service and the basketball and hockey arena debt service fund or funds, including any reserve for debt service, shall be maintained at least at an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding one year period and, except as otherwise provided by agreement, shall not be maintained at an amount greater than that required to pay principal and interest on bonds which will become due within the next succeeding two-year period. Once the tax is imposed by the city, the tax imposed for the benefit of the Minneapolis Park and Recreation Board shall remain in effect at the rate of 0.25 percent until the bonds issued under section 473.599 have been retired. The agreements shall be executed by the city, after approval by resolution of the city council and before the issuance of the bonds under section 473.581 and commencement of construction of the Metrodome or the issuance of bonds under section 473.599 and acquisition of the basketball and hockey arena and shall constitute a contract or contracts with and for the security of all holders of the bonds and revenue anticipation certificates secured by the tax. The Metrodome shall not be constructed or remodeled in a municipality which has not entered into an agreement for the Metrodome in accordance with this section. A basketball and hockey arena shall not be acquired in the city of Minneapolis unless the city has entered into an agreement in accordance with this section as security for bonds issued pursuant to section 473.599 and expenses of operation, administration, and maintenance of the basketball and hockey arena. The tax shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions. The collections of the tax, less refunds and a proportionate share of the costs of collection, shall be remitted at least quarterly to the Metropolitan Council and the city of Minneapolis for use by the Minneapolis Park and Recreation Board. The commissioner of revenue shall deduct from the proceeds remitted to the council and the city an amount that equals the indirect statewide costs as well as the direct and indirect department costs necessary to administer, audit, and collect this tax. The amount deducted shall be deposited in the general fund of the state. The proceeds remitted with respect to the Metrodome shall be placed, together with the net revenues of the commission attributable to the Metrodome under section 473.595, into the debt service fund or reserve or special funds, established under section 473.581, and any funds established to secure payment of operating deficits of the commission arising from its ownership and operation of the Metrodome. The proceeds may be used for payment of debt service on bonds and revenue anticipation certificates issued under section 473.581, and expenses of operation, administration, and maintenance of the Metrodome. The proceeds shall not be used for any capital costs of the Metrodome, except that the proceeds may be used to pay interest on bonds during the construction period.

The proceeds remitted with respect to the basketball and hockey arena shall be placed, together with the net revenues of the commission attributable to the basketball and hockey arena under section 473.595, subdivision 1a, into the debt service fund or reserve or special funds, established under section 473.599, and any funds established to secure payment of operating deficits of the commission arising from its acquisition, ownership, operation, or maintenance of the basketball and hockey arena. The proceeds may be used for payment of debt service on bonds and revenue anticipation certificates issued under section 473.599, and expenses of operation, administration, and maintenance of the basketball and hockey arena.

473.595 COMMISSION FINANCES.

Subdivision 1. **Metrodome admission tax.** The commission shall by resolution impose and maintain a ten percent admission tax upon the granting, issuance, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities at the

APPENDIX
Repealed Minnesota Statutes: 26-06400

Metrodome. No other tax, surcharge, or governmental imposition, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon any such sale or distribution. The admission tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor, seller, or distributor from the person admitted and shall be a debt from that person to the grantor, issuer, seller, or distributor, and the tax required to be collected shall constitute a debt owed by the grantor, issuer, seller, or distributor to the commission, which shall be recoverable at law in the same manner as other debts. Every person granting, issuing, selling, or distributing tickets for such admissions may be required, as provided in resolutions of the commission, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay such penalties for nonpayment and interest on late payments, as shall be deemed necessary or expedient to assure the prompt and uniform collection of the tax.

Notwithstanding any other provisions of this subdivision, the imposition of an admission tax upon a national superbowl football game conducted at the Metrodome is discretionary with the commission.

Subd. 1a. Arena admission tax. The commission shall impose a ten percent admission tax on all tickets sold, issued, granted, or distributed for the privilege of admission to the basketball and hockey arena. In addition, the commission shall impose a surcharge in an amount to be determined by the commission, but not less than \$1 per ticket, on all tickets sold, issued, granted, or distributed for the privilege of admission to activities at the basketball and hockey arena. The sales price shall include the price of the ticket and any service or other charge imposed by the grantor, issuer, seller, or distributor upon the reservation, processing, distribution, delivery, or sale of the ticket. No other tax, surcharge, or governmental imposition, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon such a sale or distribution. The admission tax and surcharge for the privilege of admission to activities at the basketball and hockey arena shall be charged and added to the sales price of the ticket, and imposed and collected in the same manner provided for the Metrodome pursuant to subdivision 1. The tax and surcharge provided for in this subdivision shall be effective from and after the date of the commission's acquisition of the basketball and hockey arena.

Subd. 2. Rentals; fees; charges. Rentals, fees, and charges provided for in use agreements at the Metrodome and basketball and hockey arena entered into by the commission shall be those estimated by the commission to be necessary and feasible to produce so far as possible, with commission revenues from other sources, the amounts needed for current operation, maintenance, and debt service. The commission shall with respect to the Met Center, the Metrodome, and the basketball and hockey arena meet and confer with any public body, authority, or agency owning or operating an entertainment or sports complex, or indoor sports arena, in the metropolitan area, for the purpose of undertaking measures or agreements maximizing revenues and eliminating unnecessary operational expenditures.

Subd. 3. Budget preparation; review and approval. The commission shall prepare a proposed budget by August 1 of each year. The budget shall include operating revenues and expenditures for operation, administration, and maintenance. In addition, the budget must show for each year:

(a) The estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;

(b) Capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year; all in such detail and form as the council may prescribe; and

(c) The estimated source and use of pass-through funds.

As early as practicable before August 15 of each year, the commission shall hold a public hearing on a draft of the proposed budget. Along with the draft, the commission shall publish a report on user charges. The report must include an estimate and analysis of the changes in user charges, rates, and fees that will be required by the commission's budget. Not less than 14 days before the hearing, the commission shall publish notice of the hearing in a newspaper having general circulation in the metropolitan area, stating the date, time, and place of hearing, and the place where the proposed budget and report on user charges may be examined by any interested person. Following the hearing, the commission shall publish a report of the hearing that summarizes the comments received and the commission's response. The council shall approve or disapprove the entire budget by October 1 of each year. Before December 15 of each year, the commission shall by resolution adopt a final budget. The commission shall file its final budget with the council on or before December 20 of

APPENDIX
Repealed Minnesota Statutes: 26-06400

each year. The council shall file the budgets with the secretary of the senate and the clerk of the house of representatives not later than January 1 of each year.

Except in an emergency, for which procedures must be established by the commission, the commission and its officers, agents, and employees may not spend money for any purpose, other than debt service, without an appropriation by the commission, and no obligation to make such an expenditure shall be enforceable except as the obligation of the person or persons incurring it. The creation of any debt obligation or the receipt of any federal or state grant is a sufficient appropriation of the proceeds for the purpose for which it is authorized, and of the tax or other revenues pledged to pay the obligation and interest on it whether or not specifically included in any annual budget. After obtaining approval of the council, the commission may amend the budget at any time by transferring any appropriation from one purpose to another, except appropriations of the proceeds of bonds issued for a specific purpose.

Subd. 4. Payment of council costs. The commission shall comply with the provisions of section 473.164.

Subd. 5. Audit. The legislative auditor shall make an independent audit of the commission's books and accounts once each year or as often as the legislative auditor's funds and personnel permit. The costs of the audits shall be paid by the commission pursuant to section 3.9741. The council may examine the commission's books and accounts at any time.

Subd. 6. General. The commission shall receive and account for all tax and other revenue of the commission and from the revenue shall provide, contract, and pay for proper operation, administration, and maintenance of all of its property and facilities and shall maintain, as authorized by resolutions of the council, reserves for major repairs, replacements, and improvements and for working capital. The commission shall remit to the council for deposit in its Metrodome debt service funds, at the times required by resolution of the council, the net revenue attributable to the Metrodome in excess of these requirements and for deposit in its basketball and hockey arena debt service fund or funds, at the times required by resolution of the council, the net revenue attributable to the basketball and hockey arena in excess of these requirements.

Subd. 7. Sale of seats. The commission may sell seats in any multipurpose sports facility constructed after June 30, 1979 at prices and subject to conditions consistent with this section. Ownership of a seat shall give the owner first preference for purchase of a season ticket of admission for professional sports exhibitions with a right to be seated in the owned seat. An owner may sell or otherwise transfer the rights on whatever terms the owner chooses. Rights to a seat may not be divided. No fee may be charged for a transfer of ownership of a seat. The commission may charge a maintenance fee not exceeding \$10 per year for each seat.

473.596 HIGHWAY USER TAX FUND FOR METRODOME ACCESS; LIMITS.

No money derived from the highway user tax distribution fund shall be used to construct, relocate, or improve any streets, highways, or other public thoroughfares, except ones included in the municipal state aid street system established pursuant to article XIV, section 4, of the Minnesota Constitution if such work is done in order to provide or improve access to the metrodome constructed pursuant to sections 473.551 to 473.595. The commissioner of transportation shall determine whether expenditures are in violation of this section.

473.598 ARENA ACQUISITION.

Subdivision 1. Commission determination. The commission shall first determine whether to pursue negotiations to acquire the basketball and hockey arena.

Subd. 2. Examination and disclosure of loan terms. Before making a final decision to acquire the basketball and hockey arena, the commission must obtain and examine all the terms, conditions, covenants, and other provisions of any loan agreements between the owners of the arena and third parties that provided financing secured by mortgages on or other security interests in the basketball and hockey arena. These terms specifically include any agreements that require a professional team affiliated with the owner to lease or use the arena or that restrict or limit the authority of the team owners or affiliates to relocate the team. The commission shall make the terms of the agreements available for public inspection.

Subd. 3. Commission proposal. (a) If the commission makes a final determination to acquire the basketball and hockey arena, the commission may then submit to the Metropolitan Council a proposal to bond for and acquire the basketball and hockey arena. The commission's proposal shall contain all information deemed appropriate or necessary by the council to its determinations pursuant to section 473.599, subdivision 4. The commission, in preparing the proposal for the council, shall

APPENDIX
Repealed Minnesota Statutes: 26-06400

require of the sellers and of the professional teams that are potential lessees or other potential lessees and all of their affiliated entities any and all data relevant to the acquisition, financing, ownership, and operation of the basketball and hockey arena, including, but not limited to, contracts, agreements, profit and loss statements, annual audit statements and balance sheets. The commission shall contract with an independent, nationally recognized firm of certified public accountants to perform due diligence and provide an economic feasibility study or report with regard to the data received by the commission from the sellers, the potential lessees, and affiliated entities. In evaluating whether to acquire the basketball and hockey arena, the commission shall consider among other factors, (a) total capital and operating costs of the basketball and hockey arena to the commission and total commission revenues from the basketball and hockey arena over the expected life of the facility, including any contributions by the state, local units of government or other organizations, (b) the total governmental costs associated with the acquisition and operation of the basketball and hockey arena, including the cost to all units and agencies of government as well as the costs to the commission, (c) the net gain or loss of taxes to the state and all local government units, and (d) economic and other benefits accruing to the public.

(b) Before submitting its proposal to the Metropolitan Council under paragraph (a), the commission shall submit the proposal to the Department of Management and Budget for review, evaluation, and comment. Any data which is not public data under subdivision 4 shall remain not public data when given to the Department of Management and Budget.

Subd. 4. Treatment of data. (a) Except as specifically provided in this subdivision, all data received by the commission or council in the course of its negotiations and acquisition of the basketball and hockey arena is public data.

(b) The commission may keep confidential data received or prepared by its accountants or counsel for purposes of negotiations with existing or potential lessees of the basketball and hockey arena. That data shall be confidential data on individuals under section 13.02, subdivision 3, or protected nonpublic data under section 13.02, subdivision 13, as the case may be, unless the commission determines that public release of the data would advance the negotiations, or until the potential lessees have executed agreements with the commission or the negotiations are unfavorably concluded.

(c) The following data shall be private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, as the case may be:

(1) data received by the commission or council from the present lessees or potential lessees of the basketball and hockey arena which if made public would, due to the disclosure, permit a competitive economic advantage to other persons;

(2) data relating to affiliated entities of the parties referred to in subdivision 3 which is not relevant to the due diligence and economic feasibility study referred to under subdivision 3; and

(3) data on individuals which is not relevant to the finances of the basketball and hockey arena or useful to demonstrate the financial ability of the potential lessees of the arena to perform their agreements with the commission.

(d) For purposes of this subdivision, the terms "commission" and "council" include their members and employees, accountants, counsel, and consultants and the firm of independent certified public accountants to be engaged under subdivision 2.

(e) Notwithstanding the exceptions in this subdivision, summary data which demonstrates the financial ability of the lessees and potential lessees of the basketball and hockey arena to perform their obligations under agreements with the commission and data which relates in any way to the value of the basketball and hockey arena and the amount by which the owners' investment in the arena, including debt obligations, exceeds the commission's payments to and assumption of the owners' debt obligations, shall be public data.

Subd. 5. Hockey agreement. The commission shall exercise its best efforts, consistent with its other obligations under sections 473.551 to 473.599 to attempt to secure an agreement with a major league professional hockey organization to play its home games at the basketball and hockey arena.

473.599 DEBT OBLIGATIONS.

Subdivision 1. Revenues. It is the intent of the legislature that the commission shall, to the maximum extent possible consistent with the provisions of this section, impose rates, rentals, and other charges in the operation of the basketball and hockey arena which together with the admissions tax and surcharge provided in section 473.595, subdivision 1a, will make the basketball and hockey

APPENDIX
Repealed Minnesota Statutes: 26-06400

arena self-supporting so that the taxes imposed under section 473.592 for the basketball and hockey arena will be at the lowest possible rate consistent with the obligations of the city of Minneapolis as provided in sections 473.551 to 473.599.

Subd. 2. **Bonds.** The council shall by resolution authorize the sale and issuance of its bonds for any of the following purposes upon its determination that the conditions of subdivision 4 have been met:

(a) To provide funds for the acquisition or betterment of the basketball and hockey arena by the commission pursuant to sections 473.598 and 473.599;

(b) To refund bonds issued under this section; and

(c) To fund judgments entered by any court against the commission or against the council in matters relating to the basketball and hockey arena.

Subd. 3. **Procedure.** The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.599, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under chapter 475. The council may pledge for the payment of the bonds the net revenues of the commission arising from the commission's operation of the basketball and hockey arena, the tax provided by section 473.592 for the basketball and hockey arena, and the admission tax and surcharge authorized in section 473.595, subdivision 1a. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.599, and shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation, but nothing in this section shall affect the obligation of the city of Minneapolis to levy a tax pursuant to an agreement made under the provisions of section 473.592. No election shall be required. The principal amount shall not be limited except as provided in subdivision 4.

Subd. 4. **Limits.** The principal amount of the bonds issued pursuant to subdivision 2, clause (a), exclusive of any original issue discount, shall not exceed the total amount of \$42,000,000 plus such amount as the council determines necessary to pay the costs of issuance, fund reserves for operation and debt service, and pay for any bond insurance or other credit enhancement. The bonds may be issued as tax-exempt revenue bonds or as taxable revenue bonds in the proportions that the commission may determine. The proceeds of the bonds issued pursuant to subdivision 2, clause (a), shall be used only for acquisition and betterment of sports facilities suitable for a basketball and hockey arena and the arena land and the related purposes referred to in this subdivision, and for reimbursement of any expenses of the commission related to its determination of whether to acquire the basketball and hockey arena, whenever incurred. The council shall issue its bonds pursuant to subdivision 2, clause (a), and the commission may acquire the basketball and hockey arena and the arena land when the council has made the following determinations:

(a) The commission, the city of Minneapolis or the Minneapolis Community Development Agency, or any or all of them, as the commission may deem appropriate, has executed agreements with a major league professional basketball organization to use the arena for all scheduled regular season home games and play-off home games, and for at least one of its exhibition games played each season. The agreements shall be for a period of 30 years. The agreements may contain provisions negotiated with the organization which provide for earlier termination of the use of the basketball and hockey arena by the commission upon conditions related to and limited to the bankruptcy or insolvency of the organization. The agreements shall afford to the commission, the city of Minneapolis, or the Minneapolis Community Development Agency, or each or all of them, as the commission deems appropriate, the remedies that are deemed necessary and appropriate to provide reasonable assurances that the major league professional basketball organization or another major league professional basketball organization shall comply with the agreements. The remedies shall include the payment of liquidated damages equivalent to direct and consequential damages incurred by reason of the breach of the agreements and any additional remedies or security arrangements the commission reasonably determines to be effective in accomplishing the purposes of this paragraph. The damages payment may be payable in a lump sum or in installments as the commission may deem appropriate. The commission may require that the agreements include other terms and conditions to provide reasonable assurances that the major league professional basketball team or a successor major league professional basketball team will play the required games at the basketball and hockey arena during the 30-year term of the agreements, or, in the event of a breach, to assure the payment of the required damages. The agreements shall address contingencies that may arise in the event of change of ownership of the professional teams. The agreements with the professional

APPENDIX
Repealed Minnesota Statutes: 26-06400

basketball organization for the use of the basketball and hockey arena shall provide for arrangements which the commission may deem necessary or appropriate to accommodate a future agreement between the commission and a professional hockey organization to occupy the basketball and hockey arena, consistent with this section.

(b) The commission has exercised its reasonable efforts to obtain assurances and/or agreements from the professional basketball major league to the extent permitted under applicable federal and state law, that it will not approve the relocation of the major league professional basketball organization if the relocation is in violation of the terms of the agreements referred to in paragraph (a).

(c) The professional basketball team has provided information sufficient to satisfy the council and the commission of the team's ability to comply with the terms of the 30-year lease.

(d) The proceeds of bonds provided for in this subdivision will be sufficient for the purposes for which they are issued.

(e) The commission has acquired, or has contracted to acquire, (i) leasehold title to the arena land together with the estate of the tenant and other rights demised under the ground lease, subject to amendment as provided in clause (o), (ii) ownership of all real and personal property comprising the basketball and hockey arena, and (iii) all easements, appurtenances and other rights, title, or interest deemed by the commission necessary or desirable in connection with the acquisition, financing, ownership, and operation of the basketball and hockey arena.

(f) The percentage of the private boxes provided for in the commission's proposal for the basketball and hockey arena are sold or leased for the period that the commission finds advisable.

(g) The anticipated admission taxes and surcharges and other revenue from the operation of the basketball and hockey arena will be sufficient to pay when due all basketball and hockey arena debt service plus all administration, operating and maintenance expense of the arena.

(h) The city of Minneapolis has entered into an agreement as contemplated in clause (n) and an agreement or agreements as contemplated in section 473.592 with respect to the basketball and hockey arena.

(i) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the city of Minneapolis.

The validity of any bonds issued under subdivision 2, clause (a), and the obligations of the council and commission related to them, shall not be conditioned upon or impaired by the council's determination made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the commission and council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

(j) The commission has entered into arrangements with any other persons to create a condominium or leasehold condominium, or common interest community or leasehold common interest community, with respect to the building containing the basketball and hockey arena, including the arena playing and spectator areas, and all other portions of the building, and together with the arena land and all other related improvements, easements and other appurtenant and ancillary property and property rights. The Minneapolis Community Development Agency in its capacity as ground lease landlord may be a party to the condominium or common interest community declaration. The condominium or common interest community declaration shall establish the portion of the building containing the health club as a separate unit of the condominium or common interest community, and the commission shall have entered into an agreement or agreements with a private sports and health club organization which shall require that the organization shall purchase or retain ownership of the unit with its own funds and at no cost or expense to the commission, and that the organization shall pay for all utility and other operating costs and expenses including allocated common expenses and pay ad valorem property taxes for the unit. The condominium or common interest community declaration may also establish other units in the condominium or common interest community which shall include the arena playing and spectator areas and may also include office space, restaurant space, locker rooms, private spectator suites or boxes, signage, and other areas, and may also establish common elements, limited common elements and other easements and interests as the commission deems necessary or appropriate. The agreement or agreements

APPENDIX
Repealed Minnesota Statutes: 26-06400

between the commission and the private sports and health club organization may also address additional matters which may be the subject of the bylaws or other agreements or arrangements among unit owners of condominiums or common interest communities, either as part of, or separately from, the provisions of chapter 515A or 515B, or any other items as may be ordinarily and customarily negotiated between the commission and the organization.

(k) The private sports and health club organization has executed an assessment agreement pursuant to section 469.177, subdivision 8, obligating payment of ad valorem taxes based on a minimum market value of the health club of at least \$10,000,000 with the city of Minneapolis or the Minneapolis Community Development Agency.

(l) The commission has executed an agreement requiring the commission to remit annually to the Minneapolis Community Development Agency or appropriate agency an amount which together with any ad valorem taxes or other amounts received by the city of Minneapolis or the Minneapolis Community Development Agency from the health club as tax increments equals the debt service required by the tax increment district attributable to the basketball and hockey arena until the current outstanding indebtedness or any refunding thereof has been paid or retired.

(m) The development agreement shall be amended:

(i) so that no payments are due to the city of Minneapolis or the Minneapolis Community Development Agency from the commission or any other person with respect to the sale, ownership or operation of the basketball and hockey arena, except as provided in clauses (k), (l), and (n); and

(ii) to confirm the satisfactory performance of the obligations of the parties to the development agreement on the effective date of the commission's acquisition; provided, that the city of Minneapolis and the Minneapolis Community Development Agency shall not be required to release any claim they may have under the development agreement with respect to the operations or sale of the health club (except as such claim may arise from the commission's acquisition of the basketball and hockey arena and the contemporaneous sale or transfer of the health club to those persons who own the basketball and hockey arena and the health club on the date of the commission's acquisition) or from the operations or sale of the professional basketball organization occupying the basketball and hockey arena or the security they may have under the development agreement or the ground lease to assure its performance, pursuant to the guaranty of the guarantors in the event of any default of the commission under the ground lease, or of the owners of the health club with respect to the payment of ad valorem taxes or any payment due from them under the development agreement as amended in accordance with the provisions of this subdivision.

(n) The commission has executed an agreement with the city of Minneapolis providing that for so long as the commission owns the basketball and hockey arena the city shall not impose any entertainment tax or surcharge on tickets purchased for any and all events at the basketball and hockey arena. The agreement may also provide that the commission shall compensate the city for the forbearance of the entertainment tax in effect on the effective date of Laws 1994, chapter 648, plus accrued interest, after payment of basketball and hockey arena debt service, the necessary and appropriate funding of debt reserve of the basketball and hockey arena and all expenses of operation, administration, and maintenance, and the funding of a capital reserve for the repair, remodeling and renovation of the basketball and hockey arena. The required funding of the capital reserve shall be in an amount mutually agreed to by the commission and the city.

(o) The ground lease shall be amended by the Minneapolis Community Development Agency to the reasonable satisfaction of the commission to provide:

(i) that the commission's sole financial obligation to the landlord shall be to make the payment provided for in clause (1) from the net revenues of the commission attributable to the operation of the basketball and hockey arena;

(ii) that the term of the lease shall be 99 years;

(iii) that the commission shall have the option to purchase the arena land upon the payment of \$10 at any time during the term of the ground lease, but, unless otherwise agreed to by the Minneapolis Community Development Agency, only after the payment or retirement of the general obligation tax increment bonds previously issued by the city of Minneapolis to assist in financing the acquisition of the arena land; and

(iv) other amendments as the commission deems necessary and reasonable to accomplish its purposes as provided in sections 473.598 and 473.599.

APPENDIX
Repealed Minnesota Statutes: 26-06400

(p) The commission has received a report or reports by qualified consultants on the basketball and hockey arena, the health club and the arena land, based on thorough inspection in accordance with generally accepted professional standards and any correction, repair, or remediation disclosed by the reports has been made to the satisfaction of commission.

Subd. 5. **Security.** To the extent and in the manner provided in sections 473.592 and 473.595, the taxes described in section 473.592 for the basketball and hockey arena, the tax, surcharge and other revenues of the commission described in section 473.595, subdivision 1a, attributable to the basketball and hockey arena and any other revenues of the commission attributable to the basketball and hockey arena shall be and remain pledged and appropriated for the purposes specified in Laws 1994, chapter 648, article 1, and for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the basketball and hockey arena until all bonds referred to in section 473.599, subdivision 2, are fully paid or discharged in accordance with law. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax, surcharge and other revenues attributable to the basketball and hockey arena referred to in sections 473.592, 473.595, subdivision 1a, 473.598, and 473.599 from the date when bonds are first issued or secured under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing the payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council under sections 473.592 to the extent of the tax imposed as security for the debt service of the basketball and hockey arena, 473.595, subdivision 1a, 473.598, and 473.599, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether the parties have notice of them, and without possession or filing as provided in the Uniform Commercial Code or any other law. In the bond resolution or trust indenture the council may make the covenants, which shall be binding upon the commission, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing bonds may be impaired, revoked, or amended by law or by action of the council, commission, or city, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council under the resolution or indenture are fully discharged.

Subd. 6. **Revenue anticipation certificates.** After approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of the basketball and hockey arena, and in anticipation of the proceeds from the taxes under section 473.592 and the revenues of the commission provided for in the budget, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in the form and manner and upon the terms that it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year. Prior to the approval and final adoption of the annual budget of the commission, the council may authorize revenue anticipation certificates under this subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest on them shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax, surcharge and other revenues received attributable to the basketball and hockey arena, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues or taxes may be used or for any purpose for which bond proceeds under subdivision 2 may be used.

Subd. 7. **Arena free of mortgages, liens, and obligations.** With the exception of the obligations imposed by sections 473.598 and 473.599, the commission shall not assume any notes, pledges, mortgages, liens, encumbrances, contracts, including advertising contracts or marquee agreements, or other obligations upon acquisition of the basketball and hockey arena or the arena land, including but not by way of limitation, management or concession agreements. Upon acquisition by the commission, the basketball and hockey arena and the arena land shall be free of all liens and encumbrances, including the foregoing but excluding the easements and rights-of-way that the commission shall determine do not materially impair or affect its ownership and operation of the basketball and hockey arena. Upon acquisition, the commission shall, through a process involving statewide public participation, select a name for the basketball and hockey arena. In the process of

selecting the name, the commission shall consider its obligation under section 473.599, subdivision 1, but that obligation must not be the principal consideration in making the selection.

Subd. 8. **Reimbursement to state.** The commission shall compensate the state for its contribution from the general fund under Minnesota Statutes 2008, section 240A.08, plus accrued interest, after payment of basketball and hockey arena debt service, the necessary and appropriate funding of debt reserve of the basketball and hockey arena and all expenses of operation, administration, and maintenance and the funding of a capital reserve for the repair, remodeling and renovation of the basketball and hockey arena. Compensation paid to the state shall occur at the same time that compensation is paid to the city of Minneapolis, as provided in paragraph (n) of subdivision 4, on a basis proportionate to the amount of forbearance of the entertainment tax or surcharge as provided in paragraph (n) to that date, and the amount of general fund appropriations paid by the state under Minnesota Statutes 2008, section 240A.08, to that date. No reimbursement will be paid under this subdivision after (1) the aggregate amount of the appropriations granted under Minnesota Statutes 2008, section 240A.08, to that time, plus accrued interest, has been reimbursed under this subdivision, or (2) December 31, 2024, whichever is earlier.

473.5995 FOOTBALL STADIUM ACCOUNT.

Subdivision 1. **Creation.** A football stadium account is created in the special revenue fund in the state treasury. On July 1, 2002, the Metropolitan Sports Facilities Commission must deposit \$500,000 from its cash reserves in the football stadium account.

Subd. 2. **Transfer; sale of the Metrodome.** Upon sale of the Metrodome, the Metropolitan Sports Facilities Commission must transfer the net sales proceeds as follows:

(1) \$5,000,000 to Hennepin County to offset expenditures for grants for capital improvement reserves for a ballpark under section 473.757; and

(2) the remainder to the football stadium account to be used to pay debt service on bonds issued to pay for the construction of a football stadium for the Minnesota Vikings.

473.76 METROPOLITAN SPORTS FACILITIES COMMISSION.

The Metropolitan Sports Facilities Commission may authorize, by resolution, technical, professional, or financial assistance to the county and authority for the development and operation of the ballpark upon such terms and conditions as the county or authority and the Metropolitan Sports Facilities Commission may agree, including reimbursement of financial assistance from the proceeds of the bonds authorized in this chapter. Without limiting the foregoing permissive powers, the Metropolitan Sports Facilities Commission shall transfer \$300,000 from its cash reserves to the county on or prior to January 1, 2007, for use in connection with preliminary ballpark and public infrastructure costs, which amount shall be repaid by the county from collections of the tax authorized by section 473.757, if any.

473.763 COMMUNITY OWNERSHIP.

Subdivision 1. **Purpose.** The legislature determines that:

(1) a professional baseball franchise is an important asset to the state of Minnesota and ensuring that a franchise remains in Minnesota is an important public purpose;

(2) providing broad-based local ownership of a Major League Baseball franchise develops trust among fans, taxpayers, and the team, and helps ensure this important asset will remain in the state;

(3) providing community ownership of a professional baseball franchise ensures that the financial benefits of any increased value of the franchise will accrue to those members of the community who own the franchise; and

(4) enacting legislation providing for community ownership indicates to Major League Baseball continuing support for professional baseball in Minnesota.

Subd. 2. **Acquisition.** Subject to the rules of Major League Baseball, the governor and the Metropolitan Sports Facilities Commission must attempt to facilitate the formation of a corporation to acquire the baseball franchise and to identify an individual private managing owner of the corporation. The corporation formed to acquire the franchise shall have a capital structure in compliance with all of the following provisions:

(1) there may be two classes of capital stock: common stock and preferred stock. Both classes of stock must give holders voting rights with respect to any relocation or voluntary contraction of the franchise;

APPENDIX
Repealed Minnesota Statutes: 26-06400

(2) the private managing owner must own no less than 25 percent and no more than 35 percent of the common stock. For purposes of this restriction, shares of common stock owned by the private managing owner include shares of common stock owned by any related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as amended. Other than the rights of all other holders of common stock and preferred stock with respect to relocation or voluntary contraction of the franchise, the private managing owner must control all aspects of the operation of the corporation;

(3) other than the private managing owner, no individual or entity may own more than five percent of the common stock of the corporation;

(4) at least 50 percent of the ownership of the common stock must be sold to members of the general public in a general solicitation and a person or entity must not own more than one percent of common stock of the corporation; and

(5) the articles of incorporation, bylaws, and other governing documents must provide that the franchise may not move outside of the state or agree to voluntary contraction without approval of at least 75 percent of the shares of common stock and at least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary, these 75 percent approval requirements shall not be amended by the shareholders or by any other means.

Except as specifically provided by Laws 2006, chapter 257, no state agency may spend money from any state fund for the purpose of generating revenue under this subdivision or for the purpose of providing operating support or defraying operating losses of a professional baseball franchise.

477A.18 PRODUCTION PROPERTY TRANSITION AID.

Subdivision 1. **Definitions.** (a) When used in this section, the following terms have the meanings indicated in this subdivision.

(b) "Local unit" means a home rule charter or statutory city, or a town.

(c) "Net tax capacity differential" means the positive difference, if any, by which the local unit's net tax capacity was reduced from assessment year 2014 to assessment year 2015 due to the change in the definition of real property in section 272.03, subdivision 1, enacted by Laws 2014, chapter 308, article 2, section 9. For purposes of determining the net tax capacity differential, any property in a job opportunity building zone under section 469.314 may not be included when calculating a local unit's net tax capacity.

Subd. 2. **Aid eligibility; payment.** (a) If the net tax capacity differential of the local unit exceeds five percent of its 2015 net tax capacity, the local unit is eligible for transition aid computed under paragraphs (b) to (f).

(b) For aids payable in 2016, transition aid under this section for an eligible local unit equals (1) the net tax capacity differential, times (2) the jurisdiction's tax rate for taxes payable in 2015.

(c) For aids payable in 2017, transition aid under this section for an eligible local unit equals 80 percent of (1) the net tax capacity differential, times (2) the jurisdiction's tax rate for taxes payable in 2016.

(d) For aids payable in 2018, transition aid under this section for an eligible local unit equals 60 percent of (1) the net tax capacity differential, times (2) the jurisdiction's tax rate for taxes payable in 2017.

(e) For aids payable in 2019, transition aid under this section for an eligible local unit equals 40 percent of (1) the net tax capacity differential, times (2) the jurisdiction's tax rate for taxes payable in 2018.

(f) For aids payable in 2020, transition aid under this section for an eligible local unit equals 20 percent of (1) the net tax capacity differential, times (2) the jurisdiction's tax rate for taxes payable in 2019.

(g) No aids shall be payable under this section in 2021 and thereafter.

(h) The commissioner of revenue shall compute the amount of transition aid payable to each local unit under this section. On or before August 1 of each year, the commissioner shall certify the amount of transition aid computed for aids payable in the following year for each recipient local unit. The commissioner shall pay transition aid to local units annually at the times provided in section 477A.015.

APPENDIX
Repealed Minnesota Statutes: 26-06400

(i) The commissioner of revenue may require counties to provide any data that the commissioner deems necessary to administer this section.

Subd. 3. **Appropriation.** An amount sufficient to pay transition aid under this section is annually appropriated to the commissioner of revenue from the general fund.

480.011 OFFICE OF ASSOCIATE JUSTICE; CONTINUANCE IN OFFICE.

The reduction of two offices of associate justice abolished by section 480.01 shall become effective upon the first two vacancies occurring in that office on the supreme court. Each justice of the supreme court serving on August 1, 1983 may continue to serve until the justice is not elected or does not seek reelection. If a justice who was serving on August 1, 1983, is defeated for reelection by another person, that other person shall be deemed to have been in office as of August 1, 1983, for the purposes of this section.

504B.345 JUDGMENT; EXECUTION.

Subd. 2. **Expedited writ.** If the court enters judgment for the plaintiff in an action brought under section 504B.291 as required by section 609.5317, subdivision 1, the court may not stay issuance of the writ of recovery of premises and order to vacate unless the court makes written findings specifying the extraordinary and exigent circumstances that warrant staying the writ for a reasonable period, not to exceed seven days.

Laws 2024, chapter 79, article 1, section 20

Sec. 20. Minnesota Statutes 2023 Supplement, section 246C.03, subdivision 2, is amended to read:

Subd. 2. **Development of Department of Direct Care and Treatment Board.** ~~(a)~~ The commissioner of human services shall prepare legislation for introduction during the 2024 legislative session, with input from stakeholders the commissioner deems necessary, proposing legislation for the creation and implementation of the Direct Care and Treatment executive board and defining the responsibilities, powers, and function of the ~~Department of Direct Care and Treatment~~ executive board.

~~(b) The Department of Direct Care and Treatment executive board shall consist of no more than five members, all appointed by the governor.~~

~~(c) An executive board member's qualifications must be appropriate for overseeing a complex behavioral health system, such as experience serving on a hospital or non-profit board, serving as a public sector labor union representative, experience in delivery of behavioral health services or care coordination, or working as a licensed health care provider, in an allied health profession, or in health care administration.~~

Laws 2025, chapter 21, section 56

Sec. 56. Minnesota Statutes 2024, section 256G.09, subdivision 4, is amended to read:

Subd. 4. **Appeals.** A local agency that is aggrieved by the order of the department commissioner of human services, executive board, or commissioner of children, youth, and families under subdivision 3, paragraph (e), may appeal the opinion to the district court of the county responsible for furnishing assistance or services by serving a written copy of a notice of appeal on the commissioner of human services and any adverse party of record within 30 days after the date the department issued the opinion, and by filing the original notice and proof of service with the court administrator of district court. Service may be made personally or by mail. Service by mail is complete upon mailing.

The commissioner of human services; the commissioner of children, youth, and families; or the executive board may elect to become a party to the proceedings in district court. The court may consider the matter in or out of chambers and shall take no new or additional evidence.

Laws 2025, chapter 21, section 57

Sec. 57. Minnesota Statutes 2024, section 256G.09, subdivision 5, is amended to read:

Subd. 5. **Payment pending appeal.** After the department commissioner of human services, executive board, or commissioner of children, youth, and families under subdivision 3, paragraph (e), issues an opinion in any submission under this section, the service or assistance covered by the submission must be provided or paid pending or during an appeal to the district court.