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# Senate

State of Minnesota

## **S.F. No. 1458 - Health and Human Services Budget Establishment and Provisions Modifications - the Conference Committee Report**

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### **Article 1 -Children and Family Services**

**Sections 1 and 2 (119B.125, subd. 7, 119B.13, subd. 6)** establish overpayment claim procedures with regard to failure to comply with child care attendance record requirements, and authorize the commissioner to impose payment restrictions on a provider who submits false attendance records.

**Sections 3 and 6 (245C.03, subd. 10, 245C.10, subd. 11)** amend the background study chapter of law requiring the commissioner to conduct background studies on group residential housing (GRH) and supplementary services staff, and requires the commissioner to recover \$20 per GRH or supplementary services background study. These sections are effective July 1, 2016.

**Sections 4, 5, and 7 (245C.03, subd. 11, 245C.04, subd. 10, 245C.10, subd. 12)** require background studies for county social services employees who perform child protection duties, and requires the commissioner to recover \$20 per study.

**Section 8 (256.01, subd. 12a)** establishes the Department of Human Services child fatality and near fatality review team, to assess the child protection services process, conduct on-site reviews, and identify necessary program improvements, including additional training and technical assistance needs of the local agency. Provides that department staff shall lead the reviews, and requires summary reports of each review to be submitted to the state child mortality review panel.

**Section 9 (256.017, subd. 1)** adds group residential housing (GRH) to the Department of Human Services (DHS) compliance system, which permits the commissioner to supervise the administration of public assistance programs, enforce accurate distribution of benefits, and increase consistency in the delivery of public assistance programs.

**Section 10 (256.741, subd. 1)** removes MinnesotaCare from the definition of public assistance for purposes of a child support referral to the county, and the assignment of child support rights to the state. These modifications are to conform to the Affordable Care Act, consistent with changes to chapter 518A.

**Section 11 (256.741, subd 2.)** removes a reference to MinnesotaCare to conform to the Affordable Care Act.

**Section 12 (256E.28) Subdivision 1,** allows the commissioner to award grants for development, implementation, and evaluation of activities to address racial disparities in the child welfare system. Provides a list of the issues that must be addressed.

**Subdivision 2. State-community partnerships; plan.** Requires the commissioner, in partnership with culturally based community organizations; various cultural councils, counties, tribal governments, and the legislative task force on child protection, to develop a plan for awarding grants.

**Subdivision 3. Measurable outcomes.** Requires the commissioner to establish measurable outcomes before distributing any grants.

**Subdivision 4. Process.** Establishes the process for providing grants. Limits a county grantee to spending no more than three percent of the grant for administrative costs. Requires the commissioner to establish an administrative cost limit with all other grantees. Prohibits a grantee from using grant funds to supplant existing federal and state funds received for child protection purposes.

**Subdivision 5. Grant program criteria.** Provides that the commissioner shall award competitive grants to eligible applicants. Establishes the groups and entities that may be eligible for grants. Specifies the priorities that must be considered by the commissioner in awarding grants.

**Subdivision 6. Evaluation.** Requires the commissioner to conduct biennial evaluations of the programs operated by the grantees using the outcomes under subdivision 3. Requires the commissioner to consult with the legislative task force on the protection of children and submit a biennial report to the task force and the legislature.

**Subdivision 7. American Indian child welfare projects.** Requires the commissioner to award \$75,000 to each tribe authorized to provide child welfare services under section 256.01, subd. 14b. An eligible tribe is not required to apply for these funds, and may apply for a competitive grant under this section.

**Section 13 (256E.35, subd. 2)** modifies the family assets for independence in Minnesota (FAIM) program by adding a definition for financial coach, and alphabetizing definitions.

**Section 14 (256E.35, subd. 4a)** modifies the FAIM program, by specifying the duties of a financial coach.

**Sections 15 to 40 amend section 256I, the GRH chapter of law.**

**Section 15 (256I.03, subd. 3)** amends the definition of GRH by striking obsolete language and updating references to the new staffing and background study requirements.

**Section 16 (256I.03, subd. 7)** modifies the definition of “countable income” to clarify what is counted as income under the GRH program.

**Section 17 (256I.03, subd. 9)** defines the term “direct contact.”

**Section 18 (256I.03, subd. 10)** defines the term “habitability inspection.”

**Section 19 (256I.03, subd. 11)** defines the term “long-term homelessness.”

**Section 20 (256I.03, subd. 12)** defines the term “professional statement of need.”

**Section 21 (256I.03, subd. 13)** defines the term “prospective budgeting.”

**Section 22 (256I.03, subd. 14)** defines the term “qualified professional.”

**Section 23 (256I.03, subd. 15)** defines the term “supportive housing.”

**Section 24 (256I.04, subd. 1)** modifies individual eligibility requirements under the GRH program. This section is effective September 1, 2015.

**Section 25 (256I.04, subd. 1a)** provides that the county cannot approve a payment in excess of the MSA equivalent payment unless the individual has a professional statement of need, as defined in this chapter. Also, in order to be eligible for supplementary service payments, providers must enroll in the provider enrollment system, which is part of the MMIS system.

**Section 26 (256I.04, subd. 2a)** exempts supportive housing establishments for individuals who have experienced long-term homelessness that meet certain requirements from the licensure requirements, and imposes staffing requirements for direct staff on GRH providers.

**Section 27 (256I.04, subd. 2b)** clarifies that agreements between agencies and providers must be in writing, and specifies the minimum requirements that the provider must verify in the

agreement. Agreements may be terminated with or without cause by the commissioner, agency, or provider with two calendar months prior notice.

**Section 28 (256I.04, subd. 2c)** imposes background study requirements on GRH and supplementary services staff.

**Section 29 (256I.04, subd. 2d)** provides that the GRH or supplementary services must be provided to the satisfaction of the commissioner, and the commissioner has the right to suspend or terminate the agreement immediately if the health or welfare of the recipients is endangered, or when the commissioner has reasonable cause to believe that the provider has breached a material term of the agreement.

**Section 30 (256I.04, subd. 2e)** clarifies staffing and background study requirements when there are multiple licenses.

**Section 31 (256I.04, subd. 2f)** specifies the minimum service requirements for licensed or registered settings, which include food preparation, housekeeping, and maintenance of the building.

**Section 32 (256I.04, subd. 2g)** is existing language that was moved from a previous subdivision.

**Section 33 (256I.04, subd. 3)** makes technical and conforming changes.

**Section 34 (256I.04, subd. 4)** removes obsolete language.

**Section 35 (256I.05, subd. 1c)** changes the term “county” to “agency” because the definition of “agency” includes tribes.

**Section 36 (256I.05, subd. 1g)** allows an agency to negotiate a supplemental services rate for individuals who have experienced long-term homelessness and who live in a supportive housing establishment.

**Section 37 (256I.06, subd. 2)** strikes references to countable income, to conform to changes in section 256I.06, subdivision 8, related to prospective budgeting. This section is effective April 1, 2016.

**Section 38 (256I.06, subd. 6)** requires recipients to report changes in income every six months, instead of every month under current law. This section is effective April 1, 2016.

**Section 39 (256I.06, subd. 7)** makes technical conforming changes.

**Section 40 (256I.06, subd. 8)** provides that for an individual with earned income, prospective budgeting must be used to determine the individual’s payment for the following six-month period. An increase in income must not affect eligibility until the month following the reporting month. A decrease in income is effective the first day of the month after the decrease.

**Sections 41 and 43 (256J.21, subd. 2, 256J.33, subd. 4)** exclude from the determination of income for MFIP participants \$100 of child support for an assistance unit with one child and \$200 for an assistance unit with two or more children.

**Section 42 (256J.24, subd. 5a)** adds language requiring that the food portion of the MFIP transitional standard comply with federal waivers.

**Section 44 (256K.45, subd. 1a)** amends the Homeless Youth Act by modifying the definition of the terms “homeless youth” and “youth at risk of homelessness” by changing eligibility from youth 21 years of age or younger, to youth 24 years of age or younger. This is consistent with the federal Runaway and Homeless Youth Act.

**Section 45 (256K.45, subd. 6)** adds language requiring the commissioner to provide outreach, technical assistance, and program development to increase capacity to better meet the needs of homeless youth statewide.

**Section 46 (256M.41)** establishes the child protection grant allocation to address county staffing. The county grant amount is based on the formula in **subdivision 1**, with a floor of \$75,000 per county, and **subdivision 2** prohibits the county from using grant funds to supplant current child protection county expenditures. **Subdivision 3** withholds a total of 20 percent of the grant until the county meets certain performance outcomes. The commissioner is required to develop recommendations for outcome measures by January 1, 2018.

**Section 47 (256N.22, subd. 9)** modifies language to comply with the federal requirement related successor guardians for children in a custody arrangement with a relative.

**Section 48 (256N.22, subd. 10)** modifies language to comply with the federal requirement related successor guardians for children in a custody arrangement with a relative.

**Section 49 (256N.24, subd. 4)** amends the provision related to extraordinary levels of care for children who have significant physical or mental health care needs, to include “foster care residence setting” to the settings that are eligible for difficulty of care supplemental rate payments.

**Section 50 (256N.25, subd. 1)** modifies language to comply with the federal requirement related successor guardians for children in a custody arrangement with a relative.

**Section 51 (256N.27, subd. 2)** strikes language giving the commissioner authority to transfer funds into the Northstar Care for Children account if a deficit occurs.

**Section 52 (257.75, subd. 3)** amends the law governing the effect of a recognition of parentage. New language refers to awards of temporary custody or parenting time. **Section 518.131**, which applies to marriage dissolutions, would apply to awards of temporary or permanent custody or parenting time based on a recognition of parentage. This section is effective March 1, 2016.

**Sections 53 (257.75, subd. 5)** modifies recognition of parentage form requirements. The limitations of the recognition for purposes of exercising and enforcing custody or parenting time must be clear and understandable. Notification requirements with respect to the effect of

a recognition on custody and parenting time are expanded, along with support obligations and other expenses for which the parent may be liable. This section is effective March 1, 2016.

**Section 54 (259A.75)** modifies the reimbursement of tribal contracted adoption placement. This section reallocates funds for tribal customary adoptions, and requires the commissioner to enter into grant contracts with Minnesota tribal social services agencies to provide child-specific recruitment and adoption placement services for Indian children.

**Section 55 (260C.007, subd. 27)** amends the definition of the term “relative.”

**Section 56 (260C.007, subd. 32)** amends the definition of the term “sibling.”

**Section 57 (260C.203)** modifies independent living plans so youth in foster care may start the plan at age 14 instead of age 16, updates a cross-reference, and requires the responsible agency to help the child obtain a tribal enrollment identification card prior to leaving foster care.

**Section 58 (260C.212, subd. 1)** allows a child in foster care who is 14 years old or older to include two additional individuals on the team preparing the child’s out-of-home placement plan, adds language to reinforce transfer of custody to a relative, if possible, and requires that the independent living plan include objectives that allow for regular opportunities to engage in age appropriate activities typical for the child’s age group.

**Section 59 (260C.212, subd. 13)** is a new subdivision related to protecting missing and runaway children and youth at risk of sex trafficking. Imposes duties on the local social services agency to report and locate a missing child, determine the primary factors that contributed to the child running away, what the child experienced while absent from foster care, and appropriate services for the child.

**Section 60 (260C.212, subd. 14)** is a new subdivision requiring that child-placing agencies support a foster child’s emotional and developmental growth by permitting the child to participate in age and developmentally appropriate extracurricular activities.

**Section 61 (260C.221)** expands who is included in a relative search when a child is placed out of the home.

**Sections 62 to 64 (260C.331, subd. 1, 260C.451, subd. 2, 260C.451, subd. 6)** update cross-references.

**Section 65 (260C.515, subd. 5)** modifies the provision relating to ordering the child into permanent custody of the responsible social services agency. Under current law, the court may order a child age 12 or older into long-term foster care. This section changes the age to 16, and requires that the child be asked about his or her desired permanency outcome.

**Section 66 (260C.521, subd. 1)** requires that the child be asked about his or her desired permanency outcome as part of the agency’s reasonable efforts to finalize a permanent plan for the child.

**Section 67 (260C.521, subd. 2)** allows an order for permanent legal and physical custody to be modified to name a successor guardian as the custodian if the original relative is incapacitated or dies.

**Section 68 (260C.607, subd. 4)** makes changes consistent with section 260C.203, changing the age of the child from 16 to 14.

**Section 69 (518A.26, subd. 14)** amends the definition of “obligor” for purposes of establishing child support obligations by striking a presumption that a person who has primary physical custody of the child is not an obligor. This section is effective March 1, 2016.

**Section 70 (518A.32, subd. 2)** modifies one of the methods for determining potential income. The amount of income a parent could earn working full-time at 150 percent of the current federal or state minimum wage is changed to working 30 hours per week at 100 percent. This section is effective March 1, 2016.

**Section 71 (518A.39, subd. 1)** allows a child support order to be modified for medical support. This section is effective January 1, 2016.

**Section 72 (518A.39, subd. 8)** is a new subdivision allowing for a medical support-only modification of a support order. This section is effective January 1, 2016.

**Section 73 (518A.41, subd. 1)** modifies the definition of “public coverage,” with regard to health care benefits by striking a reference to MinnesotaCare.

**Section 74 (518A.41, subd. 3)** amends the statute in which the court determines if a parent has appropriate health coverage for the child. This section adds language providing that health plans meeting the definition of minimum essential coverage under the ACA meet the definition of comprehensive medical coverage.

**Section 75 (518A.41, subd. 4)** modifies what a court may order related to a parent’s contribution for health care coverage in a child support case, if neither parent has appropriate health care coverage. This section is effective August 1, 2015.

**Section 76 (518A.41, subd. 14)** requires the public authority to assist with modifying a medical support order. This section is effective January 1, 2016.

**Section 77 (518A.41, subd. 15)** amends the remedies available for the enforcement of a child support order. New language provides that failure to provide court-ordered coverage or provide medical support is a basis for a modification, unless it meets a presumption. This section is effective January 1, 2016.

**Section 78 (518A.43, subd. 1a)** authorizes a court to elect not to order a party who has between 10 and 45 percent parenting time to pay basic support if there is such a significant disparity of income between the parties that an order directing payment would be detrimental to the joint child. This section is effective March 1, 2016.

**Section 79 (518A.46, subd. 3)** strikes reference to MinnesotaCare as a public assistance program.

**Section 80 (518A.46, subd. 3a)** specifies the contents of pleadings for medical support modifications. This section is effective January 1, 2016.

**Section 81 (518A.51)** discontinues the \$25 application fee for child support IV-D services. Federal conformity part of this section strikes reference to MinnesotaCare. This section is effective July 1, 2015.

**Section 82 (518A.53, subd. 1)** modifies the definition of "arrear." This section is effective July 1, 2016.

**Section 83 (518A.53, subd. 4)** allows the court to order a specific monthly payback amount for child support arrears, and strikes a reference to the \$25 application fee. This section is effective July 1, 2016.

**Section 84 (518A.53, subd. 10)** allows the court to order a specific monthly payback amount for child support arrears. This section is effective July 1, 2016.

**Section 85 (518A.60)** is a modification to conform to changes made in **section 518A.53, subd. 10**. This section is effective July 1, 2016.

**Section 86 (518A.685)** requires the public authority to report child support arrears information to a consumer reporting agency when an obligor is in arrears in an amount greater than three times the monthly court ordered support obligation. Provides that before making a report, the public authority must mail the obligor written notice at least 30 days prior to making the report. Allows the obligor, within 21 days of receipt of the notice, to pay the arrears in full or request an administrative review. If the public authority has reported the obligor to a consumer reporting agency and determines the obligor has paid arrears in full or is paying current monthly support plus the required arrearage payment, the public authority must report this to the consumer reporting agency. Requires the public authority to make monthly reports to the consumer reporting agency if the authority has reported arrearage information under this section. This section is effective July 1, 2016.

**Section 87 (518C.802)** amends the Uniform Interstate Family Support Act (UIFSA), to comply to the federal Preventing Sex Trafficking and Strengthening Families Act.

**Section 88 (626.556, subd. 1)** modifies the maltreatment of minors public policy statement, by providing that the health and safety of the children must be of paramount concern, and intervention and prevention must address immediate concerns for child safety.

**Section 89 (626.556, subd. 2)** amends the definition of the following terms: "family assessment," "investigation," "substantial child endangerment," "physical abuse," and "report." The term "sexual abuse" is added throughout section 626.556 because the term was imbedded in the definition of "substantial child endangerment" and also defined separately. To clarify terms, the definition of "substantial child endangerment" was modified



to delete the “sexual abuse” reference, resulting in both terms being defined and referenced in this section of law.

**Section 90 (626.556, subd. 3)** amends the headnote to reflect the content of the subdivision, adds tribal social services agency and tribal police to the list to which a reporter of maltreatment may report, strikes language that is moved to **626.556, subd. 7 and 10**, and adds a paragraph referencing the moved language regarding mandatory notification between law enforcement and local welfare agency.

**Section 91 (626.556, subd. 6a)** updates a cross-reference.

**Section 92 (626.556, subd. 7)** requires the local welfare agency to determine if a report is screened in or out, and allows the agency to consider, when relevant, all previous history, including screened out reports. It also includes language providing for certain information regarding the disposition of reports to be given to reporters, which is moved from current law in **626.556, subd. 3**. Requires screened-out reports to be maintained according to the record retention schedule in subdivision 11c. **Paragraph (f)** requires the local welfare agency to consider prior reports, including screened-out reports, when making screening decisions.

**Section 93 (626.556, subd. 7a) Paragraph (a)** requires staff, supervisors, and other involved in child protection screening to follow guidance issued by the commissioner of human services and immediately implement updated policies and procedures when notified by the commissioner. **Paragraph (b)** provides that any modifications to the screening guidelines must be preapproved by the Commissioner of Human Services. The county agency must consult with the county attorney before proposing modifications to the commissioner.

**Section 94 (626.556, subd. 10)** moves existing language from **626.556, subd. 3** to this subdivision, requiring law enforcement and local welfare agencies to immediately notify each other orally and in writing upon receipt of a report. The law enforcement and local welfare agencies are required to designate a person responsible for ensuring that the notification duties under this section are carried out. When the alleged maltreatment occurred on tribal land, the tribal social services agency and tribal law enforcement must be notified immediately, orally and in writing. This section adds that prior screened out reports are relevant information in investigations and family assessments.

**Section 95 (626.556, subd. 10e)** strikes language that allowed counties to modify definitions or criteria under this section.

**Section 96 (626.556, subd. 10j)** requires the release of relevant private data to a mandated reporter who made the report and has an ongoing responsibility for the child, unless the agency determines that providing the data would not be in the best interests of the child. The agency may provide the data to other mandated reporters with an ongoing responsibility for the health, education, or welfare of the child. New **paragraph (b)** provides that the reporter who receives private data under this subdivision must treat the data according to that classification.

**Section 97 (626.556, subd. 10m)** requires the local welfare agency to consult with the county attorney to determine the appropriateness of filing a CHIPS petition if the family does not

accept or comply with a plan for child protective services, voluntary services may not provide sufficient protection for the child, or the family is not cooperating with an investigation.

**Section 98 (626.556, subd. 11c)** adds reports alleging child maltreatment that were not accepted for assessment or investigation to the record retention requirements of this paragraph. Requires those reports, family assessment cases, and cases in which an investigation determines there has been no maltreatment or need for protective services to be retained for five years. Requires that records of screened-out reports must contain sufficient information to identify the subjects of the reports, the alleged maltreatment, and the reasons the report was not accepted. This section also clarifies that retained records can be used in future screening decisions and risk and safety assessments.

**Section 99 (626.556, subd. 16) Paragraph (a)** requires the commissioner to develop a plan for quality assurance reviews of local agency screening practices, and oversee and provide guidance to counties so that screening decisions are consistent throughout the state. Requires the reviews to begin no later than September 30, 2015. **Paragraph (b)** requires the commissioner to issue an annual report with summary results of the reviews. Specifies that the report must contain aggregate data and must not include data that could be used to identify any subject whose data is included in the report. Provides that the report must be classified as public information and be provided to designated members of the legislature.

**Section 100 (626.559, subd. 1b)** requires all county employees who have child protection duties who are hired on or after July 1, 2015, or who have been assigned new child protection duties on or after July 1, 2015, to undergo a background study. A county may either use the Department of Human Services or develop an alternative process to complete background studies.

**Sections 101 to 118 (Laws 2014, chapter 189, sections 5, 10, 11, 16, 17, 18, 19, 23, 24, 27, 28, 29, 31, 43, 50, 51)** amend UIFSA to comply to federal law.

**Section 119 (Laws 2014, chapter 189, section 73)** makes the UIFSA changes effective July 1, 2015.

**Section 120** requires the commissioner, in coordination with stakeholders and advocates, to build on the group residential housing (GRH) reforms made this session, and propose modifications that will result in a more cost-effective GRH program, and report to the legislative committees having jurisdiction over GRH issues by December 15, 2016. The working group shall examine the feasibility of restructuring service rates, develop a plan to fund only those services that are not funded by other programs based on individual need, and explore and recommend appropriate and effective assessment tools.

**Section 121 Paragraph (a)** establishes the work group to review the child support parenting expense adjustment and to identify and recommend changes to the adjustment. **Paragraph (b)** identifies stakeholders and legislators who will be members of the work group. **Paragraph (c)** authorizes the work group to contract with an economist to assist in creating an equitable parent expense adjustment formula. **Paragraph (d)** requires the work group to submit a report to the legislature and to the commissioner of human services by January 15, 2016. Requires the report to include recommendations for changes to the computation of child support and recommendations on the composition of a permanent child support task force. **Paragraph (e)**

provides that terms, compensation, removal of group members, and filling of vacancies are governed by Minnesota Statutes, section 15.059. **Paragraph (f)** provides that the work group expires January 16, 2016.

**Section 122** requires the commissioner to update the child maltreatment screening guidelines by October 1, 2015, to require agencies to consider prior reports that were not accepted for assessment or investigation when screening a new report. Requires the commissioner to work with a diverse group of community representatives who are experts on limiting cultural and ethnic bias. This section also requires the commissioner to publish and distribute the updated guidelines by November 1, 2015, and ensure that agency staff have received training on updated guidelines. Agency staff must implement the guidelines by January 1, 2016.

**Section 123** requires the commissioner to establish requirements for competency-based initial training, support, and continuing education for child protection supervisors. The training must advance continuous emphasis and improvement that integrates the client's traditions, customs, values, and faith into service delivery.

**Section 124** instructs the commissioner to evaluate the formula established in section 256M.41 to determine whether modifications are needed to the distribution formula. The report is due December 15, 2016.

**Section 125** establishes the legislative task force and lists its duties. Allows the task force to provide oversight and monitoring of specified executive agencies, counties, and tribes in their efforts to assure the safety and well-being of children at risk of harm or children who are involved in the child welfare system. Requires the task force to issue a report to the legislature and governor. Provides that the task force expires the last day of the 2016 legislative session.

**Section 126** is a revisor instructions, requiring the revisor to alphabetize the definitions in section 626.556, subdivision 2.