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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 1881

02/28/2019 Authored by Heintzeman, Zerwas, Franson, Demuth, Albright and others
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to human services; directing commissioner of human services to provide
1.3 certain notices on child care assistance program billing forms; modifying child
1.4 care assistance program provider requirements; providing for criminal penalties;
1.5 amending Minnesota Statutes 2018, sections 119B.02, by adding a subdivision;
1.6 119B.125, by adding a subdivision; 119B.13, subdivision 6; 256.984, subdivision
1.7 1; 609.48, subdivision 1.

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

1.9 Section 1. Minnesota Statutes 2018, section 119B.02, is amended by adding a subdivision
1.10 to read:

1.11 Subd. 8. Provider billing forms. The commissioner shall include a notice on the billing
1.12 form advising providers that the child care provider, center owner, director, manager, license
1.13 holder, or other controlling individual and the employee responsible for submitting billing
1.14 forms may each be held liable for intentionally providing materially false information on
1.15 the provider's billing forms.

1.16 EFFECTIVE DATE. This section is effective for billing forms issued on or after July
1.17 1, 2020.

1.18 Sec. 2. Minnesota Statutes 2018, section 119B.125, is amended by adding a subdivision
1.19 to read:

1.20 Subd. 1c. Declaration and penalty. (a) At the time of initial authorization and at each
1.21 reauthorization, each child care provider receiving reimbursement for services provided
1.22 under this chapter, and all employees of a provider, shall sign the following declaration:

2.1 "I declare under the penalties of perjury that this registration has been examined by me
 2.2 and to the best of my knowledge is a true and correct statement of every material point.
 2.3 I understand that a person convicted of perjury may be sentenced to imprisonment of
 2.4 not more than five years or to payment of a fine of not more than \$10,000, or both."

2.5 (b) Any person who willfully and falsely makes the declaration in paragraph (a) is guilty
 2.6 of perjury and shall be subject to the penalties prescribed in section 609.48.

2.7 (c) Signing registration to receive reimbursement under this chapter pursuant to paragraph
 2.8 (a) constitutes verification on oath or affirmation as defined in section 358.52, subdivision
 2.9 16, without administration of an oath under section 358.07 provided that the signature is
 2.10 affixed immediately below the required declaration.

2.11 **EFFECTIVE DATE.** This section is effective for child care assistance program provider
 2.12 authorizations and reauthorizations completed on or after July 1, 2019.

2.13 Sec. 3. Minnesota Statutes 2018, section 119B.13, subdivision 6, is amended to read:

2.14 Subd. 6. **Provider payments.** (a) The provider shall bill for services provided within
 2.15 ten days of the end of the service period. Payments under the child care fund shall be made
 2.16 within 21 days of receiving a complete bill from the provider. Counties or the state may
 2.17 establish policies that make payments on a more frequent basis.

2.18 (b) If a provider has received an authorization of care and been issued a billing form for
 2.19 an eligible family, the bill must be submitted within 60 days of the last date of service on
 2.20 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
 2.21 county determines that the provider has shown good cause why the bill was not submitted
 2.22 within 60 days. Good cause must be defined in the county's child care fund plan under
 2.23 section 119B.08, subdivision 3, and the definition of good cause must include county error.
 2.24 Any bill submitted more than a year after the last date of service on the bill must not be
 2.25 paid.

2.26 (c) If a provider provided care for a time period without receiving an authorization of
 2.27 care and a billing form for an eligible family, payment of child care assistance may only be
 2.28 made retroactively for a maximum of six months from the date the provider is issued an
 2.29 authorization of care and billing form.

2.30 (d) The provider shall receive a notice on the billing form advising providers that the
 2.31 child care provider, center owner, director, manager, license holder, or other controlling
 2.32 individual and the employee responsible for submitting billing forms may each be held
 2.33 liable for intentionally providing materially false information on the provider's billing forms.

3.1 ~~(d)~~ (e) A county or the commissioner may refuse to issue a child care authorization to
 3.2 a licensed or legal nonlicensed provider, revoke an existing child care authorization to a
 3.3 licensed or legal nonlicensed provider, stop payment issued to a licensed or legal nonlicensed
 3.4 provider, or refuse to pay a bill submitted by a licensed or legal nonlicensed provider if:

3.5 (1) the provider admits to intentionally giving the county materially false information
 3.6 on the provider's billing forms;

3.7 (2) a county or the commissioner finds by a preponderance of the evidence that the
 3.8 provider intentionally gave the county materially false information on the provider's billing
 3.9 forms, or provided false attendance records to a county or the commissioner;

3.10 (3) the provider is in violation of child care assistance program rules, until the agency
 3.11 determines those violations have been corrected;

3.12 (4) the provider is operating after:

3.13 (i) an order of suspension of the provider's license issued by the commissioner;

3.14 (ii) an order of revocation of the provider's license; or

3.15 (iii) a final order of conditional license issued by the commissioner for as long as the
 3.16 conditional license is in effect;

3.17 (5) the provider submits false attendance reports or refuses to provide documentation
 3.18 of the child's attendance upon request; or

3.19 (6) the provider gives false child care price information.

3.20 ~~(e)~~ (f) For purposes of paragraph ~~(d)~~ (e), clauses (3), (5), and (6), the county or the
 3.21 commissioner may withhold the provider's authorization or payment for a period of time
 3.22 not to exceed three months beyond the time the condition has been corrected.

3.23 ~~(f)~~ (g) A county's payment policies must be included in the county's child care plan under
 3.24 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in
 3.25 compliance with this subdivision, the payments must be made in compliance with section
 3.26 16A.124.

3.27 **EFFECTIVE DATE.** This section is effective for billing forms issued on or after July
 3.28 1, 2020.

3.29 Sec. 4. Minnesota Statutes 2018, section 256.984, subdivision 1, is amended to read:

3.30 Subdivision 1. **Declaration.** (a) Every application for public assistance under this chapter
 3.31 or chapters 256B, 256D, 256J, and 256L; child care programs under chapter 119B; and food

4.1 stamps or food support under chapter 393 shall be in writing or reduced to writing as
 4.2 prescribed by the state agency and shall contain the following declaration which shall be
 4.3 signed by the applicant:

4.4 "I declare under the penalties of perjury that this application has been examined by me
 4.5 and to the best of my knowledge is a true and correct statement of every material point.
 4.6 I understand that a person convicted of perjury may be sentenced to imprisonment of
 4.7 not more than five years or to payment of a fine of not more than \$10,000, or both."

4.8 (b) Signing an application for public assistance pursuant to paragraph (a) constitutes
 4.9 verification on oath or affirmation as defined in section 358.52, subdivision 16, without
 4.10 administration of an oath under section 358.07 provided that the signature is affixed
 4.11 immediately below the required declaration.

4.12 Sec. 5. Minnesota Statutes 2018, section 609.48, subdivision 1, is amended to read:

4.13 Subdivision 1. **Acts constituting.** Whoever makes a false material statement not believing
 4.14 it to be true in any of the following cases is guilty of perjury and may be sentenced as
 4.15 provided in subdivision 4:

4.16 (1) in or for an action, hearing or proceeding of any kind in which the statement is
 4.17 required or authorized by law to be made under oath or affirmation;

4.18 (2) in any writing which is required or authorized by law to be under oath or affirmation;

4.19 (3) in any writing made according to section 358.115;

4.20 (4) in any writing made according to section 358.116; ~~or~~

4.21 (5) in any writing made according to sections 119B.125 or 256.984; or

4.22 ~~(5)~~ (6) in any other case in which the penalties for perjury are imposed by law and no
 4.23 specific sentence is otherwise provided.

4.24 Sec. 6. **DIRECTION TO COMMISSIONER; CHILD CARE ASSISTANCE**
 4.25 **PROGRAM PROVIDER BILLING.**

4.26 The commissioner of human services shall propose legislation for the 2020 legislative
 4.27 session necessary to ensure that the child care provider, center owner, director, manager,
 4.28 license holder, or other controlling individual and the employee responsible for submitting
 4.29 billing forms are each held liable if materially false information is intentionally provided
 4.30 to a county on a child care assistance program billing form.

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