

Licensed Child and Adult Foster Care: Implementation plan for 2024 legislative changes

New laws passed by the 2024 legislature include several provisions that impact licensed foster care. Each section header indicates the program impacted by the change: family child foster care (CFC), child foster residence settings (CFRS), Rule 4 child-placing agency (Private Agency), adult foster care (AFC), or community residential setting (CRS).

Licensed child-placing agency personnel requirements – Private Agencies

Overview

Language has passed outlining the requirements for supervising an agency's casework and who can fulfill that role. This was previously in MN Rules 9545.0805, subpart 1. The individual who supervises the agency casework may be any type of licensed social worker, a trained culturally competent professional with experience in a relevant field, or a licensed clinician with experience in a relevant field. The new language also outlines the minimum responsibilities of this role.

See [MN Laws, Chapter 115, Article 19, Sections 28, 30](#)

Effective date: Upon the transfer of family child foster care licensing from DHS to DCYF (anticipated July 2025). DHS will provide technical assistance on the modified personnel requirements until the transfer occurs.

What private agencies need to know

The ways someone may qualify to supervise the agency's casework have been broadened. Agencies are no longer limited to having a licensed independent social worker (LISW) or licensed independent clinical social worker (LICSW) in this role. Any type of licensed social worker, a trained culturally competent professional with experience in a relevant field, or a licensed clinician with experience in a relevant field may fill this role.

Supervising the agency's casework involves reviewing and approving home studies, ensuring compliance with licensing requirements, and overseeing staff and ensuring they have training and resources, as needed.

How DHS will monitor for compliance

DHS will provide technical assistance on the modified personnel requirements until the transfer to DCYF occurs. After the transfer, during a licensing review, DCYF will review the agency's records to ensure the individual designated to supervise the agency's casework meets one of the qualifications outlined in statute.

Licensed child-placing agency financial review – Private Agencies

Overview

Beginning January 1, 2025, private agencies that oversee adoptions will no longer have to complete a yearly certified audit. Instead, a financial review must be completed by an accountant each year. This change was made to reduce the fiscal barriers for agencies to complete a certified audit, while still ensuring appropriate financial oversight.

See [MN Laws, Chapter 115, Article 19, Sections 4](#)

Effective date: January 1, 2025

What private agencies need to know

Instead of an annual certified audit, agencies are now only required to have a financial review completed each year by an accountant.

How DHS will monitor for compliance

During a licensing review, DHS will look to see that the agency has had a financial review completed each year.

Child foster care continuous licenses - CFC

The department is directed to begin developing a continuous license process for family child foster care. The development of the family child foster care continuous license structure will happen in coordination with the development of the electronic licensing inspection checklist information (ELICI) and the provider licensing and reporting hub.

Under this structure, licenses are issued on a calendar year (January – December) cycle and will automatically renew rather than expiring after one or two years. License holders will not need to complete a new license application after their initial licensure but rather update license information as it changes. The annual program evaluation will remain, but licensors will have the flexibility to manage their caseloads and complete the annual evaluations throughout the year.

See [MN Laws, Chapter 115, Article 19, Sections 3, 6, 27, 29](#)

What licensors need to know

There are no immediate changes for license holders or licensors. DHS will continue to keep you updated as these projects move forward. Our licensing partners will be engaged in the development of this process.

Department of Children, Youth, and Families – CFC, Private Agencies, CFRS

In anticipation of the move to the new Department of Children, Youth, and Families (DCYF) in July 2025, the legislature passed necessary changes to many parts of statute, including foster care licensing. They also determined that the licensing of child foster residence settings (CFRS) will remain at the Department of Human Services, and not be transitioned to DCYF.

Other portions of DHS Licensing, including family child foster care, will transition to DCYF in July 2025. The language changes do not take effect until family child foster care licensing moves to DCYF. Providers and licensors do not need to make any changes at this time. More information will be provided next year, prior to the transfer of family child foster care licensing to DCYF.

See [MN Laws, Chapter 115, Article 16, Section 45](#)

Effective date: Upon the transfer of family child foster care licensing from DHS to DCYF (anticipated July 2025)

Contraindicated restraints – All programs

In 2023, language was added to 245A.211 prohibiting the use of prone restraints and contraindicated physical restraints. Clarifying language has been added to 245A.211, subd. 4 to make clear that license holders only need to document if there is a known medical or psychological condition.

See [MN Laws, Chapter 127, Article 62, Section 12](#)

Effective date: May 25, 2024

Licensing moratorium changes – CFRS

Changes were made to the licensing moratorium exception under Minnesota Statutes, section 245A.03, subdivision 7 (a) to now allow a child foster residence setting with a Family First Prevention Services Act specialized setting certification. This process will be overseen by the Licensing Division and will not require a moratorium exception from the Disability Services Division. More information will be provided about this process at a future date.

See [MN Laws, Chapter 115, Article 18, Section 11](#)

Effective date: July 1, 2024

Licensing moratorium changes – CRS

Beginning August 1, 2024, there is a new exception to the moratorium on community residential setting licenses. The moratorium is lifted for people affected by the closure of supervised living facilities licensed under Minnesota Rules, chapter 4665 that have five or six beds, but are not certified as intermediate care facilities. There are a small number of programs who will meet this eligibility. This exception is available until June 30, 2025.

See [MN Laws, Chapter 127, Article 46, Sec. 4-5](#)

Effective date: August 1, 2024

Public email address – AFC, CFRS, Private Agencies, CRS

The license holder's email address will become public data. This applies to all license holders except family child foster care. The license holder can choose which email to provide as their public license holder email address. At this time, license holders do not need to take any action. DHS Licensing will provide further guidance prior to January 1, 2025.

See [MN Laws, Chapter 115, Article 19, Section 1](#)

Effective date: January 1, 2025

Change in ownership – CFRS, Private Agencies, CRS

The requirements for programs changing ownership were updated to:

- clarify the types of changes that require a new license
- align timeframes with other licensure processes
- explain the emergency change in ownership process, and
- remove the temporary change in ownership license.

See [MN Laws, Chapter 127, Article 62, Sections 3-7](#)

Effective date: January 1, 2025

Terms for revoked licenses operating under appeal – All programs

In serious cases, when programs are not meeting licensing requirements, DHS may revoke a license. If a license holder appeals a license revocation, they may continue to operate the program during the appeal process. Programs that operate under a revoked license during an appeal may need additional measures in place to ensure licensing requirements are met. Beginning on January 1, 2025, DHS has the authority to add terms the license holder must follow while operating under appeal. DHS will provide further guidance to licensors on this in the future.

See [MN Laws, Chapter 127, Article 62, Section 8](#)

Effective date: January 1, 2025

Background studies

Updates on legislative changes related to background studies, as they become available, will be posted on the ["What's new" for background studies webpage](#).