

Subject DHS Children & Families Budget Bill

Authors Pinto

Analyst Annie Mach
Sarah Sunderman
Danyell A. Punelli

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Table of Contents

Overview.....	1
Article 1: Child Care	1
Article 2: Child Safety and Permanency	8
Article 3: Child Support	13
Article 4: Economic Assistance.....	16
Article 5: Homelessness	25
Article 6: Appropriations	27

Overview

This bill provides for Department of Human Services appropriations for fiscal years 2024 and 2025 for child care, child safety and permanency, child support, economic assistance, and homelessness.

Article 1: Child Care

This article makes changes to the child care assistance program (CCAP), including expanding the definition of “family” for purposes of CCAP eligibility, making changes to the basic sliding fee (BSF) program waiting list, centralizing CCAP registration functions within the Department of Human Services (DHS), and changing how legal, nonlicensed (LNL) child care providers interact with CCAP. It also extends the currently available stabilization grants for child care providers and establishes a new retention payment program for providers. The article directs child care resource and referral agencies to administer a child care one-stop regional assistance network and to provide supports to help economically challenged individuals begin a career in child care.

Section Description - Article 1: Child Care

- 1 Applicant.**
Amends § 119B.011, subd. 2. Changes the definition of “child care fund applicants” to include foster care families, relative custodians, and successor custodians or guardians receiving Northstar kinship assistance. The section is effective August 25, 2024.
- 2 Child care.**
Amends § 119B.011, subd. 5. Changes the definition of “child care” to include care provided by foster care families, relative custodians, and successor custodians or guardians receiving Northstar kinship assistance. The section is effective August 25, 2024.
- 3 Family.**
Amends § 119B.011, subd. 13. Changes the definition of “family” to include care provided by foster care families, relative custodians, and successor custodians or guardians receiving Northstar kinship assistance. The section is effective August 25, 2024.
- 4 Registration.**
Amends § 119B.011, subd. 19a. Changes the definition of “registration” for purposes of CCAP to provide that the registration process is a commissioner-administered process rather than county-administered. Directs the commissioner to create a statewide registration process for CCAP by April 28, 2025.
- 5 Funding priorities.**
Amends § 119B.03, subd. 4a. Makes permanent the temporary changes the 2021 legislature made to the BSF assistance waiting list, which include shifting transition year extension families—those that are receiving MFIP assistance while they are on the waiting list for BSF assistance—from the second priority group to the last priority group and establishing a new priority group for eligible families who are not in any other priority groups. This section is effective July 1, 2023.
- 6 Authorization.**
Amends § 119B.125, subd. 1. Provides that the commissioner, and not a county agency, must authorize child care providers to receive CCAP payments. Strikes CCAP reauthorization requirements for LNL providers from the subdivision.
- 7 Background study required.**
Amends § 119B.125, subd. 1a. Specifies background study requirements for LNL providers and provides that the commissioner, not a county agency, is required to perform background studies on LNL providers.

Section Description - Article 1: Child Care

- 8 **Training required.**
Amends § 119B.125, subd. 1b. Provides that an LNL provider must submit training verification and documentation to the DHS commissioner rather than to a county agency. Deletes obsolete language. This section is effective April 28, 2025.
- 9 **Persons who cannot be authorized.**
Amends § 119B.125, subd. 2. Requires child care providers to submit required background study information to the DHS commissioner rather than to a county agency. Modifies the circumstances under which an LNL provider cannot be authorized to receive CCAP payments. This section is effective April 28, 2025.
- 10 **Authorization exception.**
Amends § 119B.125, subd. 3. Provides that the DHS commissioner, rather than a county agency, administers authorization of LNL providers to receive CCAP payments. This section is effective April 28, 2025.
- 11 **Unsafe care.**
Amends § 119B.125, subd. 4. Provides that the commissioner, rather than a county agency, may deny or rescind a provider's authorization to receive CCAP payments when a county or the commissioner determines a provider's care is unsafe for a child. Directs the commissioner to introduce statewide criteria for unsafe care by April 28, 2025. This section is effective April 28, 2025.
- 12 **Record-keeping requirement.**
Amends § 119B.125, subd. 6. Modifies the actions a county agency or the commissioner may take when there is reason to believe that a child care provider has not complied with CCAP record-keeping requirements. This section is effective April 28, 2025.
- 13 **Failure to comply with attendance record requirements.**
Amends § 119B.125, subd. 7. Provides that either the commissioner or a county agency may periodically audit child care providers to determine compliance with attendance record-keeping requirements. This section is effective April 28, 2025.
- 14 **Subsidy restrictions.**
Amends § 119B.13, subd. 1. Increases maximum CCAP rates paid to child care providers and the maximum registration fee paid under the program to the 75th percentile of the most recent child care provider rate survey, beginning October 30, 2023.

Section Description - Article 1: Child Care

15 Provider payments.

Amends § 119B.13, subd. 6. Makes conforming changes related to the commissioner, rather than county agencies, administering CCAP authorization for child care providers. This section is effective April 28, 2025.

16 Notice to providers.

Amends § 119B.16, subd. 1c. Makes technical changes related to the department's or a county agency's notification to a provider regarding action taken against the provider. This section is effective April 28, 2025.

17 Fair hearing stayed.

Amends § 119B.16, subd. 3. Makes conforming changes related to the commissioner, rather than a county agency, administering CCAP authorization for child care providers. This section is effective April 28, 2025.

18 Notice.

Amends § 119B.161, subd. 2. Provides that the commissioner, and not a county agency, must mail written notice to a child care provider regarding the right to an administrative review under specified circumstances. This section is effective April 28, 2025.

19 Duration.

Amends § 119B.161, subd. 3. Provides that the commissioner, and not a county agency, has a role in determining whether to pursue specified action against a provider.

20 Child care resource and referral programs.

Amends § 119B.19, subd. 7. Directs child care resource and referral programs to administer the child care one-stop regional assistance network for child care providers and to provide supports to help economically challenged individuals begin a career in child care.

21 Child care retention program.

Creates § 119B.27.

Subd. 1. Establishment. Directs the commissioner to establish a child care retention program to provide payments to eligible child care programs.

Subd. 2. Eligible programs. Identifies the following programs as eligible for payments: licensed family and group family child care providers; licensed child care centers; certified, license-exempt child care centers; Tribally licensed programs; and other programs determined by the commissioner. Provides that

Section Description - Article 1: Child Care

programs are not eligible if they are the subject of a finding of fraud; the subject of suspended, denied, or terminated payment; prohibited from receiving public funds; or under license revocation, suspension, temporary immediate suspension, or decertification.

Subd. 3. Requirements. Identifies the requirements with which eligible programs receiving payments under this section must comply.

Subd. 4. Payments. Directs the commissioner to provide payments under this section to all eligible programs on a noncompetitive basis and provides that the payment amounts are based on the number of full-time equivalent staff who regularly care for children in the program. Defines full-time equivalent staff as an individual caring for children 32 hours per week.

Provides that payments must be increased by 25 percent for providers who accept child care assistance or early learning scholarships or are in “child care access equity areas,” which are areas with low access to child care, high poverty rates, high unemployment rates, low home-ownership rates, and low median household incomes. Directs the commissioner to develop a method for establishing child care access equity areas.

Subd. 5. Eligible uses of money. Describes how eligible programs may use the retention payments.

Subd. 6. Legal nonlicensed child care provider payments. Allows an LNL provider to apply for a payment of up to \$500 for costs incurred prior to the first month the provider receives a CCAP payment.

Subd. 7. Carryforward authority. Provides that money appropriated for this section is available until expended.

Subd. 8. Report. Requires the commissioner to report to the legislature on the retention program by January 1 of each year and makes the reporting requirement expire on January 31, 2033.

22 **Shared services grants.**

Creates § 119B.28. Establishes a grant program to provide money to organizations to operate shared services alliances for family child care providers. Defines “shared services alliances” to mean networks of licensed family child care providers that share services to reduce costs and achieve efficiencies.

Section Description - Article 1: Child Care

- 23 **Child care provider access to technology grants.**
Creates § 119B.29. Directs the commissioner to award grants to one or more organizations to offer grants or other supports to child care providers for technology intended to improve the providers’ business practices.
- 24 **Annual or annually; family child care.**
Amends § 245A.02, subd. 2c. Provides that for purposes of statute governing requirements for licensed family child care providers, the terms “annual” and “annually” mean each calendar year.
- 25 **First aid.**
Amends § 245A.50, subd. 3. Provides that licensed family child care providers, second adult caregivers, and substitutes cannot let first aid training expire.
- 26 **Cardiopulmonary resuscitation.**
Amends § 245A.50, subd. 4. Provides that licensed family child care providers, second adult caregivers, and substitutes cannot let CPR training expire.
- 27 **Sudden unexpected infant death and abusive head trauma training.**
Amends § 245A.50, subd. 5. Deletes specificity as to the date by which licensed family child care providers must retake sudden unexpected infant death reduction training and abusive head trauma training.
- 28 **Child passenger restraint systems; training requirement.**
Amends § 245A.50, subd. 6. Deletes specificity as to the date by which licensed family child care providers must retake training related to child passenger restraint systems.
- 29 **Supervising for safety; training requirement.**
Amends § 245A.50, subd. 9. Deletes specificity as to the date by which licensed family child care providers must retake health and safety training.
- 30 **Licensed programs; other child care programs.**
Amends § 245C.04, subd. 1. Specifies background study requirements for LNL providers at reauthorization or when a new study is needed for CCAP. This section is effective April 28, 2025.
- 31 **Electronic transmission.**
Amends § 245C.05, subd. 4. Deletes a reference to LNL providers for purposes of DHS submitting background study results to county agencies. This section is effective April 28, 2025.

Section Description - Article 1: Child Care

- 32 **Notice to county agency.**
Amends § 245C.17, subd. 6. Deletes a reference to LNL providers for purposes of DHS providing a notice of background study results to county agencies. This section is effective April 28, 2025.
- 33 **Commissioner’s notice of disqualification that is not set aside.**
Amends § 245C.23, subd. 2. Deletes a reference to legal, nonlicensed child care providers for purposes of DHS notifying a county agency about the results of a reconsidered background study. This section is effective April 28, 2025.
- 34 **Administrative disqualification of child care providers caring for children receiving child care assistance.**
Amends § 256.046, subd. 3. Provides that DHS, and not a local agency, can pursue an administrative disqualification of a child care provider receiving CCAP payments. This section is effective April 28, 2025.
- 35 **Child care providers; financial misconduct.**
Amends § 256.983, subd. 5. Provides that a county or Tribal agency may recommend that the commissioner take specified actions rather than the county or Tribal agency taking the actions. This section is effective April 28, 2025.
- 36 **Direction to commissioner; transition child care stabilization grants.**
Extends the child care stabilization grants to eligible programs through September 30, 2023. Under current law, the grants expire June 30, 2023.
- 37 **Direction to commissioner; increase for maximum child care assistance rates.**
Directs the commissioner to allocate additional basic sliding fee money for calendar year 2024 to counties for updated maximum CCAP rates. Specifies factors the commissioner must consider when allocating the money among counties.
- 38 **Direction to commissioner; allocating basic sliding fee funds.**
Directs the commissioner to allocate additional basic sliding fee money for calendar year 2025 to counties and Tribes to account for the change in the definition of “family” for purposes of the program. Specifies factors the commissioner must consider when allocating the money among counties and Tribes.
- 39 **Repealer.**
Repeals § 119B.03, subdivision 4 (funding priorities for the basic sliding fee program), effective July 1, 2023, and repeals § 245C.11, subdivision 3 (criminal history data for legal, nonlicensed child care providers), effective April 28, 2025.

Article 2: Child Safety and Permanency

This article contains provisions related to foster youth assistance grants and programs, child welfare allocations to Tribes, adoption, family community resource centers, and foster care federal cash assistance benefits preservation. It also adds sex trafficking to various statutes relating to child protection and maltreatment reporting, makes clarifying changes, and adds a noncaregiver sex trafficking assessment to the possible local welfare agency responses to a report of child maltreatment alleging sex trafficking by someone who is not a child's caregiver.

Section Description - Article 2: Child Safety and Permanency

- 1 Independent living skills for foster youth grants.**

Proposes coding for § 256.4791. Establishes direct grants to local social service agencies, Tribes, and other organizations to provide independent living services to eligible foster youth. Outlines grant award determinations, program reporting, and undistributed fund reallocation.
- 2 Support beyond 21 grant program.**

Proposes coding for § 256.4792. Establishes grants for one or more community-based organizations to provide services and financial support to youth eligible for the support beyond 21 program under section 260C.451.

Requires the grantee to distribute funds to eligible youth, for basic well-being needs and housing, determined only by the recipient youth, monthly for one year. Requires the grantee to provide a stipend for youth who have completed the program to complete an exit survey.

Requires the grantee to report to the commissioner each quarter, to receive quarterly payments.
- 3 Family first prevention and early intervention allocation program.**

Proposes coding for § 260.014. Requires the commissioner to establish a program that allocates money to counties and Tribes to provide prevention and early intervention services under the federal Family First Prevention Services Act. Outlines allowable uses of funds allocated.

Requires the commissioner to allocate funds on a calendar-year basis, using a formula developed by the commissioner for a two-year period; establishes minimum amounts of allocations. Requires counties and Tribes to submit a plan and report on uses of the allocated money.
- 4 Agency and court notice to Tribes.**

Amends § 260.761, subd. 2. Adds “noncaregiver sex trafficking assessment” to provision requiring local social services agency notification provided to an Indian

Section Description - Article 2: Child Safety and Permanency

child's Tribe. Specifies that notification must be made within seven days of receiving information that the child may be an Indian child; makes clarifying changes.

5 Child welfare staff allocation for Tribes.

Proposes coding for § 260.786. Requires the commissioner to annually allocate \$80,000 to the federally recognized Tribes that have not joined the American Indian Child welfare initiative. Lists eligible Tribes, allowable uses of funds, reporting requirements, and the procedure for redistributing funds if a Tribe becomes an initiative Tribe.

6 Egregious harm.

Amends § 260C.007, subd. 14. Amends the definition of "egregious harm" by making technical and clarifying changes and adding sex trafficking to conduct that constitutes egregious harm.

7 Community resource centers.

Proposes coding for § 260C.30. Establishes community resource centers grants to provide culturally responsive, relationship-based service navigation and supports for expecting and parenting families.

Subd. 1. Definitions. Defines "commissioner," "communities and families furthest from opportunity," "community resource center," "culturally responsive, relationship-based service navigation," "expecting and parenting family," and "protective factors."

Subd. 2. Community resource centers established. Establishes grants for community resource centers.

Subd. 3. Commissioner's duties; related infrastructure. Lists duties of the commissioner related to community resource centers grants.

Subd. 4. Grantee duties. Lists requirements for community resource center grantees.

Subd. 5. Eligibility. Lists organizations eligible to receive community resource center grants.

Subd. 6. Community Resource Center Advisory Council; establishment and duties. Requires the commissioner to appoint members to the Community Resource Advisory Council; specifies membership requirements and duties of the Council.

Section Description - Article 2: Child Safety and Permanency

Subd. 7. Grantee reporting. Requires grantees to report program data and outcomes in a manner determined by the commissioner and the Council.

Subd. 8. Evaluation. Requires the commissioner and the Council to develop an outcome and evaluation plan for community resource center grants.

8 Transition planning.

Amends § 260C.451 by adding subd. 8a. Adds subdivision requiring the responsible social service agency to develop a personalized transition plan for a youth who will be discharged from foster care at 21 years of age or older, as directed by the youth, within a certain timeframe.

Requires the agency to inform the youth of their eligibility for the support beyond 21 program, and for the plan to include the support beyond 21 program; allows the agency to share the plan, with the youth's consent, with a contracted case management services agency. Requires the agency to refer the youth to the support beyond 21 program.

9 Support beyond 21 program.

Amends § 260C.451 by adding subd. 8b. Adds subdivision outlining the support beyond 21 program, for youths eligible for extended foster care who are discharged at age 21. Outlines eligibility requirements; specifies that eligible youths are also eligible for the successful transition to adulthood program.

10 Independent living skills grant program.

Amends § 260C.452 by adding subd 6. Requires the commissioner to establish direct grants to entities to provide independent living services to eligible youth.

11 Requirements.

Amends § 260C.605, subd. 1. Specifies that a responsible social services agency's reasonable efforts to finalize the adoption of a child under the guardianship of the commissioner must be subject to supervision by the commissioner.

12 Quality assurance of recruitment efforts.

Amends § 260C.605 by adding subd. 3. Requires the commissioner to establish an ongoing quality assurance process for recruitment efforts to monitor service integrity, including practice standards and training, consumer surveys, and random reviews of documentation.

13 Requirements for the qualified individual's assessment of the child for placement in a qualified residential treatment program.

Amends § 260C.705. Requires the commissioner to establish a review process, developed with counties and Tribes, for a qualified individual's completed

Section Description - Article 2: Child Safety and Permanency

- assessment of a child, to ensure that the assessment is independent, objective, and recommends the least restrictive setting for the child’s needs.
- 14 **Policy.**
Amends § 260E.01. Adds a noncaregiver sex trafficking assessment to the list of state child protection policies and carves out report alleging sex trafficking by a noncaregiver sex trafficker from sexual abuse or substantial child endangerment investigation requirement.
- 15 **Establishment of team.**
Amends § 260E.02, subd. 1. Adds representatives of agencies providing specialized services or responding to youth who experience or are at risk of experiencing sex trafficking or sexual exploitation, to the multidisciplinary child protection team.
- 16 **Noncaregiver sex trafficker.**
Amends § 260E.03 by adding subd. 15a. Defines “noncaregiver sex trafficker.”
- 17 **Noncaregiver sex trafficking assessment.**
Amends § 260E.03 by adding subd. 15b. Defines “noncaregiver sex trafficking assessment,” and specifies when the local welfare agency must perform such an assessment.
- 18 **Substantial child endangerment.**
Amends § 260E.03, subd. 22. Modifies definition of “substantial child endangerment” by adding sex trafficking and making clarifying changes.
- 19 **Sexual abuse.**
Amends § 260E.14, subd. 2. Makes clarifying change.
- 20 **Law enforcement.**
Amends § 260E.14, subd. 5. Makes clarifying changes; adds a report alleging child sex trafficking to circumstances under which agencies must coordinate responses.
- 21 **Local welfare agency.**
Amends § 260E.17, subd. 1. Adds noncaregiver sex trafficking assessment to the local welfare agency responses; makes clarifying changes. Requires the local welfare agency to conduct a noncaregiver sex trafficking assessment when a maltreatment report alleges sex trafficking by a noncaregiver; requires an immediate investigation if there is reason to believe a caregiver, parent, or household member is engaged in child sex trafficking or other conduct warranting an investigation.

Section Description - Article 2: Child Safety and Permanency

- 22 **Notice to child’s Tribe.**
Amends § 260E.18. Makes clarifying change; adds noncaregiver sex trafficking assessment to Tribal notice section.
- 23 **Face-to-face contact.**
Amends § 260E.20, subd. 2. Makes clarifying changes; exempts noncaregiver sex trafficking assessments from requirements regarding face-to-face contact, informing or interviewing the alleged offender, and the alleged offender’s opportunity to make a statement.
- 24 **Determination after family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.24, subd. 2. Adds noncaregiver sex trafficking assessment to subdivision regarding local welfare agency determinations after assessments.
- 25 **Notification at conclusion of family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.24, subd. 7. Adds noncaregiver sex trafficking assessment to subdivision regarding notification of a parent or guardian at the conclusion of an assessment.
- 26 **Following a family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.33, subd. 1. Specifies that administrative reconsideration does not apply to a noncaregiver sex trafficking assessment.
- 27 **Data retention.**
Amends § 260E.35, subd. 6. Adds noncaregiver sex trafficking assessment cases to data retention requirements.
- 28 **Direction to commissioner of human services; foster care federal cash assistance benefits preservation.**
Requires the commissioner to develop a plan to preserve and make available the income and resources attributable to a child in foster care to meet the best interests of the child. Requires recommendations to include:
- policies for youth and caregiver access to preserved federal cash assistance benefit payments;
 - representative payees for children in voluntary foster care for treatment; and
 - family preservation and reunification.

Section Description - Article 2: Child Safety and Permanency

Lists individuals, agencies, organizations, and other entities with which the commissioner must engage when developing the plan. Requires each county to provide specified data for fiscal years 2019 and 2021 to the commissioner, in a form prescribed by the commissioner. Requires counties to provide other specified data from fiscal years 2019, 2020, and 2021 to the commissioner by December 15, 2023.

Requires the commissioner to submit a report to the legislature by January 15, 2025, outlining the plan developed under this section; specifies what the report must include.

Allows the commissioner to contract with an individual or entity to collect and analyze financial data reported by counties.

Article 3: Child Support

This article modifies provisions related to the treatment of Social Security or veterans' benefits received on behalf of a joint child, circumstances under which a parent may be considered voluntarily unemployed or underemployed, the treatment of disability payments when computing child support obligations, and medical support requirements. It also adds the receipt of MFIP benefits to the circumstances under which a parent shall have no imputed potential income, and adds an exception to ability to pay requirements if a parent receives general assistance grant, TANF, or MFIP benefits. The article also modifies provisions related to driver's license suspension for child support enforcement by making driver's license suspension orders discretionary, rather than mandatory, based on listed circumstances and factors.

Section Description - Article 3: Child Support

1 Social security or veterans' benefit payments received on behalf of the child.

Amends § 518A.31. Specifies that upon a motion to modify child support, any regular or lump sum payment of Social Security or apportioned veterans' benefit received by an obligee for the benefit of the joint child under certain circumstances may be used to satisfy arrears that remain due for the period for which the benefit was received. Specifies that this paragraph applies only if the benefit was not considered in the guidelines calculation of the previous child support order.

Makes this section effective January 1, 2025.

2 Parent not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis.

Amends § 518A.32, subd. 3. Specifies that a parent is not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis if an authorized governmental agency has determined that the parent is eligible to receive

Section Description - Article 3: Child Support

general assistance or supplemental Social Security income. Specifies that any actual income earned by the parent may be considered for the purpose of calculating child support.

Makes this section effective January 1, 2025.

3 TANF or MFIP recipient.

Amends § 518A.32, subd. 4. Adds the receipt of comparable state-funded Minnesota family investment program (MFIP) benefits to circumstances under which no potential income is to be imputed to that parent.

Makes this section effective January 1, 2025.

4 Computation of child support obligations.

Amends § 518A.34. Specifies that any benefit received by the obligee for the benefit of the joint child based upon the obligor's disability or past earnings in any given month in excess of the child support obligation must not be treated as an arrearage payment or a future payment.

Makes this section effective January 1, 2025.

5 Medical support.

Amends § 518A.41.

Subd. 1. Definitions. Modifies definitions of "health care coverage," "health plan," "medical support," "uninsured health-related expenses," and "unreimbursed health-related expenses." Removes definitions of "health carrier" and "public coverage." Adds definition of "public health care coverage."

Subd. 2. Order. Makes changes related to modified terms and definitions; modifies provisions related to joint child health care coverage and availability of coverage.

Subd. 3. Determining appropriate health care coverage. States that public health care coverage is presumed appropriate. Makes changes related to modified terms and definitions. Modifies provisions related to when dependent private health care coverage is presumed affordable.

Subd. 4. Ordering health care coverage. Modifies required order for health care coverage so that if a child is presently enrolled in health care coverage, the court must order that the parent who currently has the joint child enrolled in health care coverage continue that enrollment if the health care coverage is

Section Description - Article 3: Child Support

appropriate. Modifies provisions related to public health care coverage; adds dental benefits; makes clarifying changes.

Subd. 5. Medical support costs; unreimbursed and uninsured health-related expenses. Makes clarifying changes; prohibits charging for the contribution toward private health care coverage in any month in which the party ordered to carry private health care coverage fails to maintain private coverage. Adds paragraph (g), outlining requirements related to public health care coverage.

Subd. 6. Notice or court order sent to party's employer, union, or health carrier. Makes clarifying changes related to modified terms and definitions.

Subdivisions 7 to 16 make clarifying changes.

Subd. 16a. Suspension or reinstatement of medical support contribution. Adds new subdivision outlining requirements for when a party with primary physical custody of a child who is ordered to carry private health care coverage for the child fails to do so; allows the public authority to suspend and reinstate the other party's medical support contribution under specified circumstances; provides procedural requirements.

Subdivisions 17 and 18 make clarifying changes.

Makes this section effective January 1, 2025.

6 Ability to pay.

Amends § 518A.42, subd. 1. Specifies that if Social Security or apportioned veterans' benefits are received by the obligee as a representative payee for a joint child or are received by the child attending school, based on the other parent's eligibility, the court shall subtract the amount of benefits from the obligor's parental income for determining child support (PICS) before subtracting the self-support reserve.

Makes this section effective January 1, 2025.

7 Exception.

Amends § 518A.42, subd. 1. Adds exception to ability to pay requirements if a parent is a recipient of a general assistance grant, TANF, or MFIP benefits.

Makes this section effective January 1, 2025.

8 Driver's license suspension.

Amends § 518A.65. Modifies provisions related to driver's license suspension for child support enforcement. Makes driver's license suspension order discretionary, rather than mandatory; lists circumstances and factors for the court to consider

Section Description - Article 3: Child Support

when determining whether driver's license suspension is an appropriate remedy for nonpayment of child support.

Makes this section effective July 1, 2023, unless otherwise specified.

9 Guidelines review.

Amends § 518A.77. Adds Code of Federal Regulations citation and deletes expiration date.

Article 4: Economic Assistance

This article makes changes to economic assistance programs to modify reporting periods to go from monthly reporting to six-month reporting, modify program budgeting to go from retrospective budgeting to prospective budgeting, modify the FAIM program, establish an American Indian food sovereignty funding program, and provide for SNAP outreach.

Section Description - Article 4: Economic Assistance

1 Changes in eligibility.

Amends § 119B.025, subd. 4. Clarifies a cross-reference.

Provides a March 1, 2025, effective date.

2 Budgeting and reporting.

Amends § 256D.03, by adding subd. 2b. Requires county agencies to determine eligibility and calculate benefit amounts for general assistance according to the chapter of statutes governing economic assistance program eligibility and verification.

Provides a March 1, 2025, effective date.

3 SNAP reporting requirements.

Amends § 256D.0516, subd. 2. Removes an exception to SNAP simplified reporting requirements for households receiving food benefits under MFIP.

Provides a March 1, 2025, effective date.

4 Supplemental nutrition assistance outreach program.

Creates § 256D.65.

Section Description - Article 4: Economic Assistance

Subd. 1. SNAP outreach program. Requires the commissioner of human services to implement a SNAP outreach program that meets USDA requirements to inform low-income households about the availability and benefits of SNAP.

Subd. 2. Duties of commissioner. Lists the duties of the commissioner in administering the SNAP outreach program.

Subd. 3. Program funding. Requires grantees to submit allowable costs for approved SNAP outreach activities to the commissioner to receive federal reimbursement. Requires the commissioner to disburse federal reimbursement funds for allowable costs for approved SNAP outreach activities to the state agency or grantee that incurred the costs being reimbursed.

5 Use of money.

Amends § 256E.34, subd. 4. Allows money distributed to food shelf programs to be used to purchase personal hygiene products including diapers and toilet paper.

6 American Indian food sovereignty funding program.

Creates § 256E.341.

Subd. 1. Establishment. Establishes the American Indian food sovereignty funding program to improve access and equity to food security programs within Tribal and urban American Indian communities. Requires the commissioner of human services to administer the program and provide outreach, technical assistance, and program development support to increase food security for American Indians.

Subd. 2. Distribution of funding. Requires the commissioner to: (1) provide funding to support food system changes and equitable access to existing and new methods of food support for American Indians; and (2) determine the funding formula, timing, and form of the application for the program. Lists eligible funding recipients.

Subd. 3. Allowable uses of funds. Lists allowable uses of funds.

Subd. 4. Reporting. Requires funding recipients to report to the commissioner annually on the use of American Indian food sovereignty funding. Lists the information that must be included in the report. Requires the commissioner to determine the form required for reports and allows the commissioner to specify additional reporting requirements.

Section Description - Article 4: Economic Assistance

- 7 **Establishment.**
Amends § 256E.35, subd. 1. Allows family assets for independence (FAIM) to be accrued for emergencies.
- 8 **Definitions.**
Amends § 256E.35, subd. 2. Modifies the definition of “fiduciary organization” under FAIM to include a federally recognized Tribal Nation or a nonprofit organization and modifies the definition of “permissible use” to include contributions to an emergency savings account or a Minnesota 529 savings plan.
- 9 **Grants awarded.**
Amends § 256E.35, subd. 5. Allows a portion of funds appropriated for FAIM to be used on evaluating the initiative.
- 10 **Financial coaching.**
Amends § 256E.35, subd. 4a. Makes conforming changes.
- 11 **Withdrawal; matching; permissible uses.**
Amends § 256E.35, subd. 6. Increases the maximum FAIM match from \$6,000 to \$12,000 and makes conforming changes.
- 12 **Program reporting.**
Amends § 256E.35, subd. 7. Makes conforming changes to FAIM reporting requirements related to the additional permissible uses of FAIM savings.
- 13 **Prospective budgeting.**
Amends § 256I.03, subd. 13. Modifies the definition of “prospective budgeting” under the housing support program.

Provides a March 1, 2025, effective date.
- 14 **Reports.**
Amends § 256I.06, subd. 6. Modifies housing support recipient reporting requirements to allow for six-month reporting.

Provides a March 1, 2025, effective date.
- 15 **When to terminate assistance.**
Amends § 256I.06, by adding subd. 6a. Requires an agency to terminate housing support benefits when the assistance unit fails to submit the household report form

Section Description - Article 4: Economic Assistance

before the end of the month in which it is due. Specifies the effective date of the termination and requirements related to reinstatement of benefits.

Provides a March 1, 2025, effective date.

16 Amount of housing support payment.

Amends § 256I.06, subd. 8. Makes conforming changes related to prospective budgeting.

Provides a March 1, 2025, effective date.

17 Prospective budgeting.

Amends § 256J.08, subd. 71. Modifies the definition of “prospective budgeting” under the chapter of statutes governing MFIP.

Provides a March 1, 2025, effective date.

18 Recurring income.

Amends § 256J.08, subd. 79. Modifies the definition of “recurring income” under the chapter of statutes governing MFIP to make conforming changes related to prospective budgeting.

Provides a March 1, 2025, effective date.

19 Initial income test.

Amends § 256J.21, subd. 3. Makes conforming changes to MFIP initial income tests related to six-month reporting and prospective budgeting.

Provides a March 1, 2025, effective date.

20 Income test and determination of assistance payment.

Amends § 256J.21, subd. 4. Makes conforming changes to the MFIP income test and determination of assistance payments related to six-month reporting and prospective budgeting.

Provides a March 1, 2025, effective date.

21 Determination of eligibility.

Amends § 256J.33, subd. 1. Modifies MFIP determination of eligibility provisions to be consistent with prospective budgeting. Specifies that an assistance unit is not eligible when countable income equals or exceeds the MFIP standard of need or the family wage level for the assistance unit.

Section Description - Article 4: Economic Assistance

- Provides a March 1, 2025, effective date, except the amendment making a conforming cross-reference change is effective July 1, 2024.
- 22 **Prospective eligibility.**
Amends § 256J.33, subd. 2. Makes conforming changes related to prospective budgeting under MFIP.

Provides a March 1, 2025, effective date.
- 23 **Earned income of wage, salary, and contractual employees.**
Amends § 256J.37, subd. 3. Makes conforming changes related to six-month reporting.

Provides a March 1, 2025, effective date.
- 24 **Rental subsidies; unearned income.**
Amends § 256J.37, subd. 3. Makes a conforming cross-reference change related to prospective budgeting.

Provides a March 1, 2025, effective date.
- 25 **DWP overpayments and underpayments.**
Amends § 256J.95, subd. 19. Makes a conforming change related to prospective budgeting.

Provides a March 1, 2025, effective date.
- 26 **Prospective budgeting.**
Amends § 256P.01, by adding subd. 9. Defines “prospective budgeting” under the chapter of statutes governing economic assistance program eligibility and verification.

Provides a March 1, 2025, effective date.
- 27 **Personal property limitations.**
Amends § 256P.02, subd. 2. Excludes FAIM accounts when determining the equity value of personal property under the chapter of statutes governing economic assistance program eligibility and verification.

Section Description - Article 4: Economic Assistance

28 Account exception.

Amends § 256P.02, by adding subd. 4. Excludes FAIM accounts when determining the equity value of personal property under the chapter of statutes governing economic assistance program eligibility and verification.

29 Factors to be verified.

Amends § 256P.04, subd. 4. Removes from the list of items that county agencies must verify at application the use of nonrecurring income.

Provides a July 1, 2024, effective date.

30 Recertification.

Amends § 256P.04, subd. 8. Requires county agencies to verify specified information during reporting in addition to during recertification.

Provides a March 1, 2025, effective date.

31 Income inclusions.

Amends § 256P.06, subd. 3. Modifies the list of items that must be included in determining the income of an assistance unit under the chapter of statutes governing economic assistance program eligibility and verification.

Provides a July 1, 2024, effective date.

32 Exempted programs.

Amends § 256P.07, subd. 1. Exempts participants who receive SSI and qualify for MSA or housing support from reporting requirements under the chapter of statutes governing economic assistance program eligibility and verification.

Provides a March 1, 2025, effective date.

33 Child care assistance programs.

Amends § 256P.07, by adding subd. 1a. Exempts participants who qualify for CCAP from certain reporting requirements.

Provides a March 1, 2025, effective date.

34 Reporting requirements.

Amends § 256P.07, subd. 2. Modifies participant reporting requirements under the chapter of statutes governing economic assistance program eligibility and verification.

Section Description - Article 4: Economic Assistance

- Provides a March 1, 2025, effective date.
- 35 Changes that must be reported.**
Amends § 256P.07, subd. 3. Modifies the list of changes that must be reported by an assistance unit.

Provides a March 1, 2025, effective date, except the removal of lump sum payments is effective July 1, 2024.
- 36 MFIP-specific reporting.**
Amends § 256P.07, subd. 4. Modifies the list of changes an MFIP assistance unit must report and removes language requiring the assistance unit to report changes within ten days of the change.

Provides a March 1, 2025, effective date.
- 37 Child care assistance programs-specific reporting.**
Amends § 256P.07, subd. 6. Modifies the list of changes a CCAP assistance unit must report by adding a change in address or residence, a change in household composition, a change in citizenship or immigration status, and a change in family status.

Provides a March 1, 2025, effective date.
- 38 Minnesota supplemental aid-specific reporting.**
Amends § 256P.07, subd. 7. Modifies the list of changes an MSA assistance unit must report. Requires assistance units not receiving SSI to report a change in unearned income of \$50 per month or greater and a change in earned income of \$100 per month or greater. Lists the changes an assistance unit receiving housing assistance must report.

Provides a March 1, 2025, effective date.
- 39 Housing support-specific reporting.**
Amends § 256P.07, by adding subd. 8. Paragraph (a) lists the changes a housing support assistance unit that is not receiving SSI must report.

Paragraph (b) lists the changes a housing support assistance unit, including an assistance unit receiving SSI, must report.

Provides a March 1, 2025, effective date.

Section Description - Article 4: Economic Assistance

40 General assistance-specific reporting.

Amends § 256P.07, by adding subd. 9. Lists the changes an assistance unit receiving general assistance must report.

Provides a March 1, 2025, effective date.

41 Prospective budgeting of benefits.

Creates § 256P.09

Subd. 1. Exempted programs. Exempts assistance units that qualify for CCAP, assistance units that receive housing support and are not subject reporting under the statutes governing economic assistance program eligibility and verification, and assistance units that qualify for MSA from prospective budgeting.

Subd. 2. Prospective budgeting of benefits. Requires any agency subject to the economic assistance program eligibility and verification chapter of statutes to use prospective budgeting to calculate the assistance payment amount.

Subd. 3. Initial income. Specifies how an agency must determine initial income for purposes of determining the assistance unit's level of benefits.

Subd. 4. Income determination. Requires agencies to use prospective budgeting when determining the amount of an assistance unit's benefits for the eligibility period based on the best information available at the time of approval. Specifies how anticipated income must be treated.

Subd. 5. Income changes. Prohibits an increase in income from affecting an assistance unit's eligibility or benefit amount until the next review unless otherwise required to be reported. Requires a decrease in income to be effective on the date the change occurs if the change is reported by the tenth of the month following the month when the change occurred. Requires a change in income to be effective on the date the change was reported if the assistance unit does not report the change in income by the tenth of the month following the month when the change occurred.

Provides a March 1, 2025, effective date.

42 Six-month reporting.

Creates § 256P.10.

Subd. 1. Exempted programs. Exempts assistance units that qualify for CCAP, assistance units that receive housing support and also receive SSI, and assistance units that qualify for MSA from six-month reporting.

Section Description - Article 4: Economic Assistance

Subd. 2. Reporting. Paragraph (a) subjects an assistance unit that qualifies for MFIP, an assistance unit that qualifies for GA with an earned income of \$100 per month or greater, and an assistance unit that qualifies for housing support with an earned income of \$100 per month or greater to six-month reviews. Allows the initial reporting period to be shorter than six months to align with other programs' reporting periods.

Paragraph (b) requires MFIP assistance units and GA assistance units with an earned income of \$100 per month or greater to complete household report forms as required by the commissioner for redetermination of benefits.

Paragraph (c) requires housing support assistance units with an earned income of \$100 per month or greater to complete household report forms to provide information about earned income.

Paragraph (d) subjects an assistance unit that qualifies for housing support and also receives MFIP to the MFIP six-month reporting requirements.

Paragraph (e) requires assistance units to submit household report forms in compliance with the requirements of the chapter of statutes governing economic assistance program eligibility and verification.

Paragraph (f) allows an assistance unit to choose to report changes at any time.

Subd. 3. When to terminate assistance. Specifies when an agency must terminate benefits and when benefits may be reinstated.

Provides a March 1, 2025, effective date.

43 Repealer.

Paragraph (a) repeals Minnesota Statutes, sections 256.9864 (reports by recipient); 256J.08, subds. 10 (budget month), 53 (lump sum), 61 (monthly income test), 62 (nonrecurring income), 81 (retrospective budgeting), and 83 (significant change); 256J.30, subds. 5 (Monthly MFIP household reports), 7 (due date of MFIP household report form), and 8 (late MFIP household report forms); 256J.33, subds. 3 (retrospective eligibility), 4 (monthly income test), and 5 (when to terminate assistance); 256J.34, subds. 1 (prospective budgeting), 2 (retrospective budgeting), 3 (additional uses of retrospective budgeting), and 4 (significant change in gross income); and 256J.37, subd. 10 (treatment of lump sums), effective March 1, 2025, except the repeal of § 256J.08, subds. 53 and 62, and 256J.37, subd. 10, are effective July 1, 2024.

Section Description - Article 4: Economic Assistance

Paragraph (b) repeals Minn. Stat. § 256.8799 (SNAP outreach program), effective August 1, 2023.

Article 5: Homelessness

This article makes changes to the Homeless Youth Act and safe harbor and requires the commissioner to establish a minor connect grant program.

Section Description - Article 5: Homelessness

1 Youth eligible for services.

Amends § 145.4716, subd. 3. Makes a conforming change related to the establishment of the safe harbor shelter and housing grant program.

2 Street and community outreach and drop-in eligibility.

Amends § 245K.45, subd. 3. Modifies the Homeless Youth Act street and community outreach and drop-in eligibility by adding specialized services for youth at risk of discrimination based on sexual orientation or gender identity.

3 Provider repair or improvement grants.

Amends § 256K.45, subd. 7. Modifies provider repair or improvement grants under the Homeless Youth Act by increasing the maximum grant amount and removing a prohibition on a grantee receiving grant funds for two consecutive years.

4 Safe harbor shelter and housing.

Creates § 256K.47.

Subd. 1. Grant program established. Requires the commissioner of human services to: (1) establish a safe harbor shelter and housing grant program; and (2) award grants to providers who are committed to serving sexually exploited youth and youth at risk of sexual exploitation. Requires grantees to use grant money to provide street and community outreach programs, emergency shelter programs, or supportive housing programs to address the specialized outreach, shelter, and housing needs of sexually exploited youth and youth at risk of sexual exploitation.

Subd. 2. Youth eligible services. Specifies youth 24 years of age or younger are eligible for all shelter, housing beds, and services provided under this section and all services, support, and programs provided by the commissioner of health to sexually exploited youth and youth at risk of sexual exploitation.

Section Description - Article 5: Homelessness

Subd. 3. Street and community outreach. Requires street and community outreach programs to locate, contact, and provide information, referrals, and services to eligible youth. Lists the activities that may be included in information, referrals, and services provided by street and community outreach programs.

Subd. 4. Emergency shelter program. Requires emergency shelter programs to provide eligible youth with referral and walk-in access to emergency short-term residential care. Lists the services that may be provided at emergency shelters.

Subd. 5. Supportive housing programs. Requires supportive housing programs to help eligible youth find and maintain safe and dignified housing and provide related supportive services and referrals. Allows supportive housing programs to provide rental assistance. Lists the services that may be included in supportive housing programs.

Subd. 6. Funding. Specifies funds appropriated for safe harbor shelter and housing may be expended on street and community outreach, emergency shelter, and supportive housing programs, technical assistance, and capacity building to meet the greatest need on a statewide basis.

5 Minor connect grant program.

Creates section 256K.48.

Subd. 1. Grant program established. Establishes a grant program for the development, implementation, and evaluation of services to increase housing stability for unaccompanied minors who are experiencing homelessness or who are at risk of homelessness and not currently receiving child welfare services.

Subd. 2. Definitions. Defines “child welfare services,” “commissioner,” “community-based provider,” “local social services agency,” “Tribal social services agency,” and “unaccompanied minor.”

Subd. 3. Grant eligibility and uses. Specifies eligible grant applicants and lists eligible uses of grant money. Requires the commissioner to give priority to grants that involve collaboration between local social services agencies, Tribal social services agencies, and community-based providers.

Subd. 4. Reporting. Requires grantees to report quarterly to the commissioner with specified information.

Article 6: Appropriations

This article appropriates money in fiscal years 2024 and 2025 from the specified funds for specified purposes to the commissioner of human services.



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