



Chairs Wiklund and Liebling:

On behalf of the Association of Minnesota Counties (AMC), the Minnesota Association of County Social Service Administrators (MACSSA), and the Minnesota Inter-County Association (MICA), we thank you for working to assemble proposals to address the needs of Minnesota’s children and families. In a state-supervised, county-administered system – our county workforce is the front line workforce, implementing policy and regulation that is passed at the state, federal, or local levels and working directly with individuals and families accessing supports.

As you work in conference committee to develop a proposal in concert with the Walz administration, we would like to share counties’ priorities and underscore our commitment to working with you to provide expertise and partnership in finding solutions that support the health, economic vitality, and security of all families that are working to raise and support our youngest Minnesotans.

County priorities

Service delivery transformation: Multiple provisions carried in House and Senate versions of SF2995 and HF238 (Pinto)

We appreciate the recognition from the administration, Senate and House that modernizing our complex, fragmented and administratively-burdensome human services programs, processes, and technology is imperative to the effectiveness and sustainability of critical community supports. One-time surplus dollars are a perfect opportunity to make investments in technology that will pay dividends into the future. The recent Gartner assessment of our state’s modernization approach outlines a promising path forward, and counties strongly believe that the time is now to move down this path.

Alongside the need for new technology to support service delivery transformation is the need to sustain and improve the existing core systems that county workers rely on for their daily work. We support the appropriations in the Governor’s budget to address METS, MMIS, HMIS, SSIS, MAXIS and MEC2 systems as part of the roadmap established by the Department of Human Services (DHS).

We ask the conference committee to support investments that align with the Governor’s recommendations. At the same time, we ask that you consider the impact that this state-level work will have on counties. As the end users of this technology, counties are in a position to pilot potential technology solutions and teach back to the development process and also locally innovate to augment DHS technology improvements. We also know that any modernization effort will require counties to train (or retrain) our workers – which takes time and resources.

We respectfully ask for \$5 million to counties for implementation work and \$20 million to counties for innovations that accompany this ongoing work.

Integrated services for children and families – technology improvements: SF2995 Senate language – Article 15, Section 3 · HF238 (Pinto) – Article 2, Section 31

Counties share the administration’s priority of improving our IT systems that will enable our human services programs to be more person-centered; pose fewer barriers to the individuals, families and providers that use them; and reduce county worker administrative time so that these workers can focus on more meaningful work with individuals and families. We support a thorough review of SSIS accompanied by recommendations for improving the current system

for usability, federal compliance, and reductions in onerous and burdensome data entry requirements which significantly impact workforce recruitment, retention and job satisfaction. We respectfully request the conference committee's support of the House and Governor's position to fully fund this request found in Line 478 of the House spreadsheet: \$2.3 million (FY24-25) and \$2.5 million (FY26-27).

Program simplification: SF2995 Senate language – Article 10 · HF238 (Pinto) – Article 5

Counties thank the House and Senate for recognizing that our Minnesota Family Investment Program (MFIP), General Assistance (GA), and Minnesota Supplemental Assistance (MSA) have antiquated procedural requirements that are not uniform with other public assistance programs. Our state's current administrative process disincentivizes families from having earned income, costs counties tens of thousands of hours processing the "churn" of families on and off programs (rather than focusing on program outcomes) and destabilizes families already in crisis. Updating and simplifying these processes has the potential to mitigate crises for families who may have had income in the past and lost a job and instead allows us to calculate benefits on a family's forward-looking situation. Counties support moving to six-month reporting, prospective budgeting, and removal of nonrecurring income from income calculations as tools to help stabilize families toward self-sufficiency.

We respectfully ask that the conference committee support provisions in HF238 (Article 5, Sections 1, 2, 3, 5-18) that repeal the Diversionary Work Program (DWP). DWP is a four-month program aimed at helping parents find employment to avoid getting onto MFIP. As our cash assistance programs have evolved, many of them contain the same elements of DWP, and counties believe those receiving benefits and those at the counties administering benefits would both benefit greatly by the administrative simplification of serving all families through MFIP.

Family First Prevention Services Act: SF2995 Senate language – Article 14 · HF238 (Pinto) – Article 2

Minnesota faces both a significant challenge and an opportunity to leverage the Federal Family First Prevention and Services Act (FFPSA) to better support the children and families of Minnesota and prevent out-of-home placements. Counties have been working closely with DHS, tribes and community partners to align the core tenets of FFPSA (prevention, kinship, transition age, and residential services) with expectations for service delivery and funding. The House and Senate proposals tackle elements of FFPSA in slightly different ways, and we appreciate your consideration of county input on these sections.

Counties strongly support provisions in both the House and Senate versions that fund a qualified individual (Q/I) program at \$450,000 per year. Counties strongly support the investments in prevention and early intervention services and appreciate the Senate fully funding the Governor's proposal with over \$25 million dedicated to supporting local, prevention-based programming and call attention to the House's recognition of the important role of both formal and informal kinship navigation supports. Making these critical investments will further the state's and counties' goal of strengthening families and reducing out-of-home placements.

Community Resource Centers: SF2995 Senate language · HF238 (Pinto) – Article 2, Section 35

Counties support the Governor's proposed investment in Community Resource Centers (CRCs) – community-driven access points for individuals and families that build strong communities. In partnership with DHS, tribes, philanthropic partners and individuals with lived experience, counties are piloting CRCs in settings statewide. The CRC model is proven to reduce out-of-home placements and disparities in favor of strengthening protective factors – leading to stronger and more resilient families. Most importantly, without a modest state investment the existing work of CRCs will be jeopardized, leaving the existing community resource hubs in a lurch. Our ultimate goal is for communities to inform and drive the development of services and supports that meet local needs, with local and state government supporting the work by communities.

We appreciate the one-time \$8.6 million contemplated in HF238 but urge the conference committee to support the administration's request of \$15 million (FY24-25) and \$34 million (FY26-27) for this innovative and outcome-driven work.

Mental health investments: SF2995 Senate language – Articles 4, 18 · SF2995 House language – Articles 3, 8, 15

Counties support developing Minnesota’s mental health and developmental disabilities continuum of care so that it appropriately serves high-need and hard-to-serve individuals in communities throughout the state. This includes investing in prevention, community-based services, placements for individuals with complex needs, and services for adults and children involved in the justice system. State funding and regional investments are needed to address gaps in Minnesota’s mental health infrastructure to ensure that appropriate and culturally competent services are available for children and adults with high needs in all communities. Minnesota’s mental and behavioral health infrastructure must include crisis stabilization and rehabilitation services, along with ongoing community support services to ensure placements in jails and emergency rooms are limited.

We see this reflected in this bill in a number of provisions we support. This bill includes new investments in psychiatric residential treatment facility (PRTF) start-up grants and specialization grants, mobile crisis and stabilization programs, first episode psychosis funding, school-linked mental health funding, mental health grants for healthcare workers, mental health provider grants to provide supervision, eligibility for funding from the behavioral health fund for third path residential services, safety for human services workers grants, and increased rates for a number of services. Funding for the 988 suicide crisis lifeline is also essential.

We would also like to highlight county support for a provision in the House and Senate language that was not included in the Governor’s recommendation. (We acknowledge that this provision is included in the House version of SF2934, the human services omnibus finance bill authored by Rep. Noor.) Counties support the \$1.5 million one-time appropriation to Minnesota State University – Mankato for a grant to Center for Rural Behavioral Health to establish a community behavioral health center and training clinic. We believe this is a creative way to recruit and retain individuals in behavioral health services.

County training pilot program: SF2995 Senate language – Article 10, Section 62 · HF238 (Pinto) – N/A

Counties support a pilot program to test the local delivery of training and technical assistance programs. Currently, counties rely on limited DHS staffing capacities which lead to waiting lists for many training programs. The delay in getting staff trained (or retrained) puts a strain on county human services agencies as they try to address their own staffing limitations, while creating a backlog in addressing the needs of families or individuals seeking social services.

As a way to fill gaps in training and technical assistance program offerings, counties believe that our internal staff have the knowledge and can share this knowledge across counties for the benefit of all. This can not only address gaps but increase collaboration (and possibly innovation) between counties as staff share knowledge and lessons learned through these trainings.

We ask the conference committee to support the Senate position for this pilot program.

Investments in child care: SF2995 Senate language – Article 12 · HF238 (Pinto) – Article 1

We appreciate the House and Senate proposed investments in child care. We have worked with both authors for the last several legislative sessions to not only increase investments in Basic Sliding Fee (BSF) child care but also align existing resources to maximize spending and reduce BSF waiting lists in counties. We know that BSF child care supports families who are striving to work and avoid going onto MFIP while also ensuring that children in the family get the benefits of child care. Permanent reprioritization of the BSF child care wait list priorities will allow state resources to be spent so that more children and families benefit from care, thereby facilitating economic development and a return to the workforce.

Counties also appreciate provisions from the administration’s proposal that appear in both the House and Senate bills that expand the definition of family for child care purposes and expand Child Care Assistance Program (CCAP) eligibility for family, friends, and neighbors.

Income and employment verification: SF2995 Senate spreadsheet line 379 · HF238 (Pinto) spreadsheet line 424

Counties rely on The Work Number (TWN) – an electronic real-time eligibility verification tool – to quickly and accurately complete public assistance program eligibility. DHS has funded the contract for The Work Number to provide the service to the counties/tribes since 2014 and is contracted to continue this service through 2026. Minnesota’s SNAP and cash programs are state-supervised and county-administered and, in order to ensure accurate and timely benefits administration that meets state processing guidelines and timelines, counties need access to available eligibility verification tools. TWN express service allows county eligibility workers to quickly determine if applicants are eligible for program benefits, thus ensuring that program benefits are extended to only qualifying participants. This tool will also be utilized for healthcare eligibility verification during the unprecedented re-enrollment process counties are currently undertaking.

TWN has and can eliminate barriers for individuals applying for or maintaining public assistance when they may not have access to their employment information or employers are not able to provide the information in a timely manner, and is key to counties meeting state and federal established processing timelines. If use of this service is rationed, it may impact Minnesotans being able to access services for which they are eligible. The use of TWN also allows counties to provide better customer service, ensure program integrity, and support a county workforce that is facing the same workforce challenges as other industries across Minnesota.

We appreciate House and Senate support of \$2 million per biennium at the funding level proposed in the Governor’s budget, but DHS has confirmed that not fully funding the contract will result in either a shift of the burden of paying for this verification service to counties or remove a valuable tool for counties to ensure program integrity and to prevent individuals from losing benefits. Federal American Rescue Plan funds helped cover much of the cost of this service during the public health emergency, but those funds are no longer available. DHS has provided technical assistance on the amount needed to fully fund the DHS-held contract for this eligibility verification tool. The actual cost of the current contract is anticipated to be \$4.86 million (FY24-25), \$5.5 million (FY26-27) and we strongly advocate that counties are held harmless in paying for this tool.

Housing and homelessness: SF2995 Senate language – Article 11 · SF2995 House language – Article 11, Section 3; Article 8)

Counties appreciate the Senate and House inclusion of multiple provisions aimed at addressing homelessness. We acknowledge that the full Legislature is working across multiple committee jurisdictions to address affordable housing. Minnesota is facing an unsheltered crisis that is not just confined to the metropolitan area. Counties are seeing significant adverse impacts on unsheltered individuals and families with correlating demands in county support services and financial resources. While we recognize emergency shelter beds are short-term solutions for individuals and families without permanent shelter, they still serve as a critical starting point to gaining long-term stability and for urgent needs during Minnesota’s harsh winter months. As such, counties appreciate both chamber’s inclusion of emergency shelter capital and Emergency Services Program (ESP) funding as an important priority and hope that the final conference committee report will reflect a worthwhile and ongoing expansion to this necessary and urgent program.

We support the House’s policy-only language that expands the “Metro Housing Demo,” a project created in 1995 in Housing Support (formerly known as Group Residential Housing, to the entire seven-county metropolitan area. By adding the counties of Scott, Carver and Washington (Article 11, section 3), resources for needed housing connected with services for single adults and families will be made available throughout the entire metro area.

We would like to highlight county support for the presumptive eligibility for housing supports and the expansion of Housing Stabilization Services benefit to update rate methodology, make the benefit more understandable for individuals and sustain the resource. Finally, we would encourage adoption of SF2995 House language (Article 8, Section 6) that invests resources in transition from homelessness grants.

Provisions of county support

Tribal child protection: SF2995 Senate language – Article 18 · HF238 (Pinto) – Article 8

The American Indian Child Welfare Initiative was created with a collaborative commitment between the state, tribes and counties with the shared goal of improving child welfare outcomes for Indian children. Counties support the transfer of roles and responsibilities from counties to tribes with appropriate state funding allocations.

Counties support the requests from the Leech Lake Band of Ojibwe, the Red Lake Band of Chippewa and the White Earth Nation to continue participation in the American Indian Child Welfare Initiative and the inclusion of the Mille Lacs Band of Ojibwe in the initiative. Please support the provisions found in HF238 and the Governor's proposal.

Extended foster care caseload reduction: SF2995 Senate language – Article 18, Section 2 · HF238 – Article 8

Currently youth in foster care immediately prior to their 18th birthday can receive extended foster care services and payments through the age of 21. These youth face compounding barriers to pursuing additional education, jobs skills and housing which county workers often are helping navigate. We appreciate the consideration in both bills for the increased caseloads that county workers face.

We encourage your support of the Senate's position of \$3 million per year (Line 352 of spreadsheet) for counties and initiative tribes to reduce caseload sizes.

Health care: SF2995 Senate language – Article 16, Sections 11 and 14 · SF2995 House language – Article 2, Section 12

Connecting Minnesotans to health care is important not only as an important avenue of connection to other support services but also as broad tool to achieve better public health outcomes. Counties appreciate the Governor's proposal to create an easy enrollment health insurance outreach program as a way to help connect individuals to needed services. We encourage the committee to adopt the SF2995 Senate language in Article 16, Section 11.

We know that continuous health care eligibility is an important tool to reducing health disparities for our most vulnerable residents, our children. This continuous eligibility (ongoing for children under 6 and 12-month eligibility for youth ages 6-21) protects them from experiencing health care gaps due to system or parental errors and parents can be confident in scheduling future preventative health care appointments without fear of coverage loss. This provision produces administrative simplification for county staff responsible for determining eligibility and simplifies determining eligibility for other state programs where Medicaid is the backbone of eligibility determinations. Counties support this provision that was included in the Governor's proposal and the House and Senate proposals.

Public health investments: SF2995 Senate language – Article 18 · SF2995 House language – Article 15

Counties support the proposed investments for emergency preparedness, contingency management, public health system transformation, home visiting and the public health workforce. We know that these investments are part of our critical health infrastructure that was proven invaluable and stretched beyond capacity during the pandemic. We recognize the important work of our public health colleagues and know that these largely preventative services are key to building community health and resiliency.

Provisions for continued engagement

Department of Children, Youth and Families: SF2995 – Article 12 · HF238 (Pinto) – Article 7

Counties share the state's goal of better addressing equity and improving outcomes for children and families in a more holistic way by focusing our efforts on child and family-strengthening programs and community partnerships. Counties desire to better serve Minnesotans and streamline services and supports, while working toward shifting the current system that is built around deep-end, crisis-oriented services to one of supporting children and families in community. Counties support provisions in both the House and Senate that build on a successful public health model, foster an intergovernmental coordination and partnership, which we believe to be essential to aligning systems, and address the tremendous consequences for our service delivery and workforce.

We ask the conference committee to support language in Article 12 of the Senate proposal.

Foster care federal cash assistance benefits: SF2995 Senate language – Article 14, Section 3 · HF238 (Pinto) – Article 2, Section 30

Counties agree with the expressed goals of advocates and lawmakers to ensure that children in foster care should benefit from the Supplemental Security Income (SSI) or Retirement, Survivors and Disability Insurance (RSDI) which they are eligible for. Federal Social Security directives and differing administrative processes in 87 counties have resulted in inconsistent application across the state in how these benefits are administered on behalf of children to offset the cost of care (food, housing, etc.).

In order to assess the proper course of action moving forward, counties support House language that directs DHS to engage stakeholders 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 that child, which will include statewide research on the number of children affected and the amount of money received by counties as important data points upon which to build any solutions. Counties are concerned that without accurate data, we may unknowingly make decisions that will crack the already tenuous foundation of how children and families are supported in this area.

We thank the members of the committee for their consideration of our feedback in guiding new human services policies and programs for Minnesota children and families.

Sincerely,



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