

Subject Workforce incentive fund grants

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Overview

The bill establishes a workforce incentive fund to provide grants for behavioral health, housing, disability, and home and community-based older adult providers.

It additionally exempts grant payments from state taxes, and from being considered income for the purposes of the property tax refund program.

Summary

Section	Description
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1	Workforce incentive fund grants.
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Creates § 256.4778. Establishes workforce incentive fund grants for behavioral health, housing, disability, and home and community-based older adult providers to assist with recruiting and retaining direct support and frontline workers.

Subd. 1. Grant program established. Requires the commissioner of human services to establish grants for behavioral health, housing, disability, and home and community-based older adult providers to assist with recruiting and retaining direct support and frontline workers.

Subd. 2. Definitions. Defines terms for purposes of this section including “commissioner,” “eligible worker,” and “eligible employer.”

Subd. 3. Allowable uses of funds. Lists allowable uses of funds under the workforce incentive fund grant program. Requires the commissioner to:

- 1) develop a grant cycle distribution plan that allows for equitable distribution of funding among eligible employer types; and
- 2) make efforts to prioritize Black, Indigenous, and people of color-owned and small to midsize eligible employers.

Section **Description**

Subd. 4. Attestation. Requires an eligible employer to attest to certain conditions as a condition of obtaining a workforce incentive grant payment.

Subd. 5. Self-directed services workforce. Specifies that grants paid to employees providing covered services under the quality self-directed services workforce provision do not constitute a change in term or condition and are not subject to the state’s obligation to meet and negotiate under the chapter of statutes governing public employment labor relations.

Subd. 6. Grants not to be considered income. Prohibits grants awarded under this section from being considered income, assets, or personal property for purposes of determining eligibility for various economic assistance and health care programs.

Subd. 7. Audits and recoupment. Allows the commissioner to perform an audit up to six years after a grant is awarded under this section to ensure the grantee used funds solely for allowed purposes, was truthful when making attestations, and complied with the conditions of receiving a workforce incentive grant. Allows the commissioner to treat any amount used for a purpose not authorized under this section as an overpayment and requires the commissioner to recover overpayments.

Effective July 1, 2022.

- 2 **Workforce incentive fund grant payments; income tax subtraction.**
Allows an individual income tax subtraction for grant payments under section 1 of the bill. This would exclude those payments from state income taxes.
- 3 **Workforce incentive fund grant payments; education credit.**
Excludes grant payments under section 1 of the bill from being considered income for the purposes of the Minnesota education expense credit.
- 4 **Workforce incentive fund grant payments; property tax refunds.**
Excludes grant payments under section 1 of the bill from being considered income for the purposes of the state’s property tax refund programs.



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