

**Subject** Establishing a basic income grant program

**Authors** Hollins and others

**Analyst** Annie Mach

**Date** March 11, 2024

## Overview

H.F. 2666, as amended by H2666DE2, directs the commissioner of the Department of Human Services (DHS) to establish a basic income grant program. Under the program, DHS would award competitive grants to local government entities, Tribal governments, and nonprofit organizations to create and implement basic income programs that provide at least \$500 each month to eligible recipients for at least 18 months.

H2666DE2 appropriates \$100,000,000 in fiscal year 2025 to DHS for the program. The appropriation is onetime and available until June 30, 2028.

## Summary

<u>Section</u>	<u>Description</u>
----------------	--------------------

1	<b>Minnesota basic income grant program.</b>
---	--

**Subd. 1. Establishment.** Directs the DHS commissioner to establish a competitive grant program for specified entities to provide regular cash payments to recipients to disrupt poverty, build wealth, advance equity, and support a recipient's basic needs.

**Subd. 2. Eligible applicants.** Provides that to be eligible for a grant under the program, an applicant must: (1) be a local government entity, a Tribal government, or a nonprofit organization; (2) have the capability to provide monthly payments to eligible recipients; and (3) meet specified requirements.

**Subd. 3. Applications.** Provides that applicants seeking grants under the program must apply to the commissioner, and identifies what must be included in the grant application.

**Subd. 4. Grant activities.** Requires that grantees use the grant money to: (1) design and implement a basic income grant program; (2) provide a monthly

Section Description

payment of at least \$500 each month to eligible recipients for at least 18 months; and (3) collect required information.

**Subd. 5. Stipends not to be considered income.** Provides that cash stipends under the program cannot be considered income, assets, or personal property for determining or redetermining eligibility for specified public programs.

**Subd. 6. Eligible recipients.** Provides that to be eligible to receive a monthly payment under the program, a recipient must: (1) attest to the recipient's need; and (2) be receiving public benefits or have household income less than or equal to 300 percent of the federal poverty level. Allows the payments to go to an individual or a family. Allows a grantee to set other eligibility requirements, with exceptions, and allows grantees to identify priority populations.

**Subd. 7. Basic income community of practice.** Directs the commissioner to establish a basic income community of practice to provide regular training and technical assistance to grantees and to identify at least one independent entity to lead the practice.

**Subd. 8. Reporting.** Requires that grantees collect specified data from eligible recipients and provide an annual report to the commissioner on the collected data.

**Subd. 9. Evaluator.** Directs the commissioner to select at least one independent, research-based entity to evaluate the program.

**Subd. 10. Report.** Directs the commissioner, in cooperation with grantees, to submit a report to the legislature on the program by January 15, 2027. Requires that the report maintain the anonymity of the individuals who participate in the program.

**2 Appropriation; Minnesota basic income grant program.**

Makes a onetime appropriation of \$100,000,000 in fiscal year 2025 to DHS for the Minnesota basic income program. Allows the DHS commissioner to use up to \$3,000,000 of the appropriation for outreach, technical assistance, training, and evaluation.



*Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.*

[www.house.mn/hrd](http://www.house.mn/hrd) | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155