

April 8, 2025

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings	X	

Department of Revenue  
Analysis of H.F. 2367 (Nadeau), 1<sup>st</sup> Engrossment

	<b>Fund Impact</b>			
	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>	<b><u>F.Y. 2028</u></b>	<b><u>F.Y. 2029</u></b>
General Fund	\$0	\$0	\$0	\$0

Effective following enactment.

**EXPLANATION OF THE BILL**

The bill would create stipend payments issued to collective bargaining unit members according to the labor agreement between the state of Minnesota and Service Employees International Union (SEIU) Healthcare Minnesota & Iowa.

Members would receive a \$1,200 stipend for retention and defraying any health insurance costs they may incur. This stipend is available once per fiscal year for fiscal years 2026 and 2027.

Members could also receive a \$750 stipend upon completion of designated, voluntary training made available or recommended by the State Provider Cooperation Committee. This stipend may be claimed once in fiscal years 2026 to 2027.

The amount of stipends received is a subtraction for income tax purposes and is a subtraction for purposes of the renter’s credit and the property tax refund. Stipend payments must not be considered income, assets, or personal property in determining eligibility for childcare assistance, general assistance, housing support, the Minnesota family investment program, and economic assistance programs.

The bill appropriates \$30,750,000 in fiscal year 2026 from the general fund to the Commissioner of Human Services for the \$1,200 stipends. \$750,000 of the appropriation is for administration of the stipends. The bill also appropriates \$2,250,000 in fiscal year 2026 from the general fund to the Commissioner of Human Services for the \$750 training stipends. \$250,000 of the appropriation is for the administration of the stipends.

**REVENUE ANALYSIS DETAIL**

- About \$32 million would be available for stipends to be paid in tax years 2025 through 2027.
- Since the stipends authorized in the bill are not in the February 2025 forecast, the subtractions would have no fiscal impact relative to the forecast.

**REVENUE ANALYSIS DETAIL (Cont.)**

**Number of Taxpayers:** According to the SEIU Healthcare MN & IA website, there are nearly 50,000 healthcare and long-term care workers that support hospitals, clinics, nursing homes, and home care who would be eligible for the two stipends.

Minnesota Department of Revenue  
Tax Research Division  
[https://www.revenue.state.mn.us/  
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hf2367(sf2640) Caregiver Stipend Subtraction / bp