

May 3, 2021

Dear Members of the Health and Human Services Conference Committee:

As organizations representing Minnesota parents and children statewide, we appreciate the opportunity to provide written public testimony regarding the Minnesota Family Investment Program appropriations in HF2128/SF2360.

First, we welcome all investments that help families and children participating in MFIP meet their basic needs for shelter, transportation, food, diapers, and clothing. The current MFIP cash grant – \$632/month for a family of three – does not pay for a fair market rent anywhere in Minnesota. Further, the current cash assistance level cannot meet the rising costs of transportation and diapers.

Second, we support MFIP investments that acknowledge how COVID-19 has caused significant and disproportionate harm to the health and economic well-being of communities of color. Nearly 30,000 parents and caregivers participating in MFIP, disproportionately women of color, were unable to access thousands of dollars in regular and pandemic unemployment insurance payments after losing work. Many parents who have worked predominantly in hotel, restaurant, retail, temp work, and in-home health services were shut out of safety net income that kept other workers afloat.

As such, we appreciate the following investments (citations to HF2128 4th engrossment and SF2630 2nd engrossment):

Emergency \$750 TANF Payment (House Article 21, section 11, line 889.7)

We strongly support the House position to fund a one-time \$750 emergency payment to more than 32,000 parents and children participating in MFIP. This relief will address critical basic needs, including paying for rent, diapers, food, work boots, utility debts, and Internet access.

Increase to MFIP Housing Grant (Senate Article 9, section 14, line 263.2)

We strongly support the Senate's inclusion of a \$40/month increase to the MFIP Housing Assistance grant; however, we would appreciate further consideration of a more significant increase using TANF dollars that would bring parents closer to meeting fair market rents statewide.

Program Uniformity and Simplification (House Article 8, sections 1, 3, 10-41, line 362.18)

We strongly support the House effort to simplify public benefits program administration and reduce redundant monthly paper-based reports. These changes allow families more stability and help parents to avoid surprise penalties for modest additional earnings. Minnesota is the only state requiring a monthly eight-page packet of paperwork and verifications. All other states long ago moved to 6-month reporting in their TANF programs.

Ongoing MFIP COLA (House Article 8, section 22, line 371.13)

We strongly support the House's inclusion of a modest cost of living adjustment to the MFIP cash grant. This mechanism is one of the best and most appropriate uses of TANF dollars because an ongoing COLA is also the only way states are avoiding the years of cash grant stagnancy that Minnesota families have experienced.

Emergency Assistance Grants with Federal American Rescue Plan Funds (Senate Article 9, section 61, line 299.25)

While we prefer a simplified one-time direct emergency payment to all families, we also support the Senate's direct appropriation to counties for emergency assistance grants that may be used for rent

(including arrears), utility bills (including arrears), food, clothing, public transportation and vehicle repairs, and school-related equipment needs. These grants will meet critical needs; however, we would point out that outreach and monitoring will be necessary to ensure eligible families are connected with this federal assistance.

SNAP Income Limit Adjustment Helps Parents Exiting MFIP (House Article 8, section 9, line 366.8)

We strongly support the House position to increase the SNAP gross income limit. SNAP is the largest federal nutrition assistance program and the first line of defense against hunger in Minnesota. As parents exit MFIP assistance, it is critical to help working parents avoid new “cliffs” in their household budgets. Minnesota has the federal option to increase the gross income threshold in SNAP food assistance from 165% to 200% of federal poverty, which is then funded by the federal program. This change will help thousands of low-income working Minnesotans who are often missing SNAP eligibility by a few hundred dollars in earnings.

Finally, we oppose using TANF dollars for county MFIP employment services and county application processing at this time because we recognize significant investments to employment and training services are under consideration in the Jobs and Workforce Development Conference Committee. These State-funded work services will be available to parents participating in MFIP. Furthermore, significant county services dollars will be available through the CARES and American Rescue Plan Acts.

More specifically:

Unspecified MFIP Consolidated Fund Appropriation (Senate Article 9, section 62, line 300.10)

We strongly oppose the appropriation of American Rescue Plan Act TANF dollars to the counties for unspecified usage within the MFIP Consolidated Fund. Because counties will be receiving unprecedented levels of funding for pandemic relief, federal TANF relief should go to families to meet basic needs – not to county administrative expenses.

We sincerely appreciate your partnership and consideration.

Sincerely,



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Joined by:

Catholic Charities of St. Paul and Minneapolis
Arrowhead Economic Opportunity Agency
CAPLP – Lakes & Prairies Community Action Partnership
Children's Defense Fund Minnesota
Community Action Duluth
Hunger Solutions Minnesota
Jewish Family and Children's Service of Minneapolis
Joint Religious Legislative Coalition
Minnesota Asset Building Coalition
Minnesota Budget Project
Minnesota Catholic Conference

Three Rivers Community Action, Inc.
Tri-Valley Opportunity Council
Voices for Racial Justice