

Subject Workforce development grants excluded from program eligibility determinations and state income taxes

Authors Fischer

Analyst Sean Williams
Danyell Punelli

Date February 20, 2023

Overview

The 2021 omnibus health and human services finance bill authorized \$5.588 million in fiscal year (FY) 2023 for “workforce development grants” to attract and maintain direct care workers who provide home and community-based services for people with disabilities and older adults. The appropriation base is \$5.588 million in FY 24 and \$0 in FY 25.

H.F. 1810 specifies that the grants are not considered income or assets for the purposes of determining eligibility for economic support programs and Medical Assistance. The bill also provides an income tax subtraction for grants received, and excludes the grants from counting towards income for the purposes of the education credit or property tax refund programs.

Summary

| Section | Description |
|---------|-------------|
|---------|-------------|

- | | |
|---|--|
| 1 | <p>HCBS workforce development grant.</p> <p>Specifies that workforce development grants are not counted as income for the purposes of determining eligibility for:</p> <ul style="list-style-type: none">▪ Child care assistance.▪ General assistance, Minnesota supplemental aid, and food support.▪ Housing supports.▪ Minnesota family investment program (MFIP) and the diversionary work program.▪ Economic assistance programs under chapter 256P.▪ Medical Assistance (MA). |
|---|--|

| Section | Description |
|---------|---|
| 2 | Income tax subtraction. Allows an individual income tax subtraction for workforce assistance grants. Excludes the grants from the income measure used to calculate property tax refunds and the Minnesota education credit. |



**MN HOUSE
RESEARCH**

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 | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155