

HOUSE RESEARCH

Bill Summary

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Overview

This bill modifies provisions related to MFIP and child care assistance programs.

The Minnesota Family Investment Program (MFIP) is a jointly funded, federal-state program designed to provide income assistance for eligible low-income families. MFIP replaces the Aid to Families with Dependent Children (AFDC) program, which was repealed by Congress in 1996.

Child Care assistance programs receive federal, state, and county funds to subsidize the child care expenses of eligible families, including families participating in the Minnesota Family Investment Program (MFIP) or the Diversionary Work Program (DWP), and working families or students who receive no cash assistance and have incomes at or below 175 percent of the federal poverty guidelines (FPG), adjusted for family size, at program entry and up to 250 percent of FPG, adjusted for family size, at program exit.

Section

- 1 General eligibility requirements for all applicants for child care assistance.** Amends § 119B.09, subd. 1. Modifies eligibility for child care assistance programs, making families who have household income less than or equal to 75 percent of state median income eligible, rather than families with incomes less than or equal to 175 percent of FPG at program entrance and 250 percent of FPG at program exit.
- 2 Co-payment fee for families with annual incomes that exceed the federal poverty level.** Amends § 119B.12, by adding subd. 3. Specifies how monthly family copayments for

families with annual incomes greater than the federal poverty level, adjusted for family size, is determined. Specifies a family copayment fee schedule based on family size and household income.

- 3 **MFIP transitional standard.** Amends § 256J.24, subd. 5. Adds paragraph (b), which requires the commissioner to increase the existing transitional standard by 10 percent, effective July 1, 2007, to be distributed to the cash portion of the grant.
- 4 **Hard-to-employ participants.** Amends § 256J.425, subd. 3. Expands eligibility for assistance under a hardship extension to a participant who has a specified illness or disability or is needed in the home to care for a family member with a specified illness or disability, and who is complying with an employment plan tailored to recognize the special circumstances of the caregivers and family.
- 5 **Employed participants.** Amends § 256J.425, subd. 4. Modifies eligibility for assistance under a hardship extension by removing the minimum average hours per week participants must be participating in employment. Removes the definition of employment. Makes technical changes.
- 6 **Work activity.** Amends § 256J.49, subd. 13. Prohibits unpaid work performed in return for cash assistance and does not count unpaid work as a work activity, unless the participant voluntarily agrees, in writing, to engage in unpaid work in return for cash assistance. Allows the participant to terminate the unpaid work arrangement, in writing, at any time.
- 7 **Approval of postsecondary education or training.** Amends § 256J.53, subd. 2. Removes paragraph (a), which requires participants to be working in unsubsidized employment at least 20 hours per week in order for a postsecondary education or training program to be an approved activity in the employment plan.
- Removes paragraph (c), which specifies the hourly unsubsidized employment requirement does not apply for intensive education or training programs lasting 12 weeks or less when full-time attendance is required.
- 8 **Repealer.** Repeals Minnesota Statutes, sections 256B.0631 (Medical Assistance copayments), 256J.24, subd. 6 (MFIP family cap), and 256J.37, subd. 3a (rental subsidies; unearned income) and 3b (treatment of Supplemental Security Income).