

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 746

DATE: March 8, 2007

Version: As introduced

Authors: Thissen and others

Subject: Family Stabilization Services Program and Work Participation Bonus

Analyst: Danyell Punelli LeMire, 296-5058

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill establishes a family stabilization services program, establishes a work participation bonus within the MFIP program, and appropriates money for certain 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 MFIP replaces the Aid to Families with Dependent Children (AFDC) program, which was repealed by Congress in 1996.

Section

Article 1: Self-Sufficiency Provisions

Overview

This article establishes a family stabilization program and a work participation bonus within the MFIP program.

- 1 Family stabilization services program.** Amends § 119B.011, by adding subd. 13a. Defines "family stabilization services program."
- 2 Eligible participants.** Amends 119B.05, subd. 1. Modifies the list of families eligible for MFIP child care assistance to include families who are participating in an approved family

Section

stabilization plan.

- 3** **Legislative approval to move programs or activities.** Amends § 256J.01, by adding subd. 6. Prohibits the commissioner from moving programs or activities funded with MFIP or TANF MOE funds to other funding sources without legislative approval.
- 4** **State programs.** Amends § 256J.021. Extends the date by which the commissioner must treat MFIP expenditures made to or on behalf of certain participants as separate state program expenditures that are not counted toward the TANF MOE requirement.
- 5** **Participant.** Amends § 256J.08, subd. 65. Modifies the definition of "participant."
- 6** **Other property limitations.** Amends § 256J.20, subd. 3. Modifies the list of assets that are excluded when determining the equity value of real and personal property by removing the limitation on the value of a vehicle loan.
- 7** **MFIP exit level.** Amends § 256J.24, subd. 10. Modifies the maximum MFIP income eligibility level.
- 8** **MFIP household reports.** Amends § 256J.30, subd. 5. Modifies reporting requirements for MFIP households with earned income. Current law requires a monthly report; this provision would require a report once every six months. Removes the definition of "recent work history."
- 9** **Assessments.** Amends § 256J.521, subd. 1. Adds references to the family stabilization services program.
- 10** **Employment plan; contents.** Amends § 256J.521, subd. 2. Encourages job counselors to allow participants who are participating in at least 20 hours of work activities to also participate in employment and training activities in order to meet the federal hourly participation rates.
- 11** **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.

- 12** **Participation requirements.** Amends § 256J.55, subd. 1. Modifies hourly work participation requirements for single-parent families.
- 13** **Family stabilization services program.** Creates § 256J.575.

Subd. 1. Purpose. Paragraph (a) specifies that the family stabilization services program is Minnesota's cash assistance program for families who are not making significant progress in the MFIP program due to a variety of barriers to employment.

Paragraph (b) establishes the goal of the program, which is to stabilize and improve the lives of families at risk of long-term welfare dependency or family instability due to certain employment barriers.

Subd. 2. Definitions. Defines "family stabilization services program," "case management," "family stabilization plan," and "family stabilization services."

Subd. 3. Eligibility. Paragraph (a) lists who is eligible for the family stabilization

Section

services program.

Paragraph (b) requires families to meet all other eligibility requirements for MFIP. Specifies that families are eligible for financial assistance to the same extent as if they were participating in MFIP.

Subd. 4. Universal participation. Requires all caregivers to participate in family stabilization services.

Subd. 5. Case management; family stabilization plans; coordinated services.

Paragraph (a) specifies county agency and case manager duties in relation to providing family stabilization services and creating family stabilization plans.

Paragraph (b) lists what must be included in a family stabilization plan.

Paragraph (c) requires the case manager and family to meet within 30 days of the family's referral to the case manager. Requires completion of the initial family stabilization plan within 30 days of the family's first meeting with the case manager. Specifies additional case manager duties, including modification of the plan under certain circumstances.

Subd. 6. Cooperation with program requirements. Paragraph (a) specifies that participants must comply with certain requirements in order to be eligible for the program.

Paragraphs (b) to (e) list program requirements with which participants must comply.

Subd. 7. Sanctions. Paragraph (a) reduces the financial assistance grant of a participating family if a participating adult fails without good cause to comply or continue to comply with the family stabilization plan requirements, unless compliance has been excused.

Paragraph (b) specifies that sanctions are only appropriate when it is clear that there is both the ability to comply and willful noncompliance by the participant, as confirmed by a behavioral health or medical professional.

Paragraph (c) requires county agencies to review a participant's case to determine if the family stabilization plan is still appropriate and meet with the participant face-to-face prior to the imposition of a sanction. Allows the participant to bring an advocate to the face-to-face meeting. Lists county agency duties that must be met during the face-to-face meeting.

Paragraph (d) requires the case manager or a designee to attempt a home visit if the participant fails to come to the face-to-face meeting. Requires the county agency to send the participant written notice that includes certain specified information if a

Section

face-to-face meeting is not conducted.

Paragraph (e) requires county agencies to provide a notice of intent to sanction and, when applicable, a notice of adverse action.

Paragraph (f) specifies that good cause exemptions from sanctions apply except to the extent that they are modified by this subdivision.

- 14 Work participation bonus.** Creates § 256J.621. Paragraph (a) establishes a transitional assistance amount of \$100 per month for participants exiting the DWP program or terminating MFIP cash assistance with earnings who are employed and working 24 hours per week.

Paragraph (b) establishes eligibility for a transitional assistance payment, specifies how work hours are calculated, and limits transitional assistance to a maximum of 12 months.

Paragraph (c) specifies the commissioner's duties in administering the transitional assistance payments.

Paragraph (d) specifies that transitional assistance program expenditures are MOE state funds. Specifies that months in which a participant receives transitional assistance do not count toward the participant's MFIP 60-month time limit.

- 15 Consolidated fund.** Amends § 256J.626, subd. 1. Allows counties to use consolidated funds to provide case management services to participants of the family stabilization services program.

- 16 Allowable expenditures.** Amends § 256J.626, subd. 2. Modifies the list of allowable expenditures under the consolidated fund to include the family stabilization services program and telephone service.

- 17 Eligibility for services.** Amends § 256J.626, subd. 3. Includes families currently receiving services under the family stabilization services program in the list of programs to which counties and tribes must give priority when expending consolidated funds.

- 18 County and tribal biennial service agreements.** Amends § 256J.626, subd. 4. Requires counties and tribes to include in their biennial service agreements the strategies the county or tribe will pursue under the family stabilization services program.

- 19 Innovation projects.** Amends § 256J.626, subd. 5. Makes the family stabilization services program eligible for innovation project funds. Allows innovation project funds to be used for providing incentives to counties and tribes that exceed performance. For purposes of an incentive, specifies what counties or tribes must achieve in order to be considered to have exceeded performance.

- 20 Base allocation to counties and tribes; definitions.** Amends § 256J.626, subd. 6. Modifies the definition of "final allocation." Removes paragraph (d), which adjusted final allocations based on specified performance provisions.

Article 2: Supporting Work for Low-Income Families

Overview

This article establishes criteria for counties to receive supported work funding and appropriates money for work study, car loans and car repairs, integrated service projects, and supported work.

1 Supported work. Establishes criteria for funding allocations to counties for supported work. Requires supported work to be modeled after the mental health supported work model. Lists eligibility criteria for counties to receive a supported work allocation.

2 Appropriations.

Subd. 1. Work study. Appropriates \$1.5 million from the TANF reserve account to the Minnesota Office of Higher Education for the 2008-09 biennium for work study grants, specifically for low-income individuals who receive MFIP assistance.

Subd. 2. Car loans and car repairs. Appropriates \$3 million from the TANF reserve account to the commissioner of human services for the 2008-09 biennium for programs that provide car loans and car repairs to individuals who receive MFIP assistance.

Subd. 3. Integrated service projects. Appropriates \$3 million from the TANF reserve account to the commissioner of human services for the 2008-09 biennium to fund the integrated services project for MFIP families.

Subd. 4. Supported work. Appropriates an unspecified amount from the TANF reserve account to the commissioner of human services for the 2008-09 biennium for supported work for MFIP participants. Specifies that these funds are for counties that are not meeting the work participation rates and must be allocated according to certain requirements.