

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 3031  
**Version:** As introduced

**DATE:** March 24, 2014

**Authors:** Liebling and Huntley

**Subject:** Uniform Public Assistance Program Eligibility and Verification

**Analyst:** Danyell A. Punelli

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/](http://www.house.mn/hrd/).

### Overview

This bill establishes a new chapter of law, chapter 256P, which contains uniform procedures for determining and verifying eligibility for several human services programs including general assistance (GA), Minnesota Supplemental Aid (MSA), group residential housing (GRH), and the Minnesota Family Investment Program (MFIP).

#### Section

- 1**      **Amount of contribution.** Amends § 254B.04, subd. 3. Removes a reference to GA earned income savings accounts, which are repealed in section 38. Makes this section effective October 1, 2015.
- 2**      **Income.** Amends § 256D.02, subd. 8. Removes language in the GA statute related to self-employment earnings, adds a cross-reference to the new chapter 256P, and updates terminology. Makes this section effective February 1, 2015.
- 3**      **Agency.** Amends § 256D.02, subd. 12. Modifies the definition of “agency” by cross-referencing chapter 256P.
- 4**      **Transfers of property.** Amends § 256D.05, subd. 5. Modifies how transfers of property are treated under the GA program by removing references to MFIP property transfers and adding a cross-reference to chapter 256P.
- 5**      **Eligibility; amount of assistance.** Amends § 256D.06, subd. 1. Modifies the GA earned income disregard by removing language disregarding the first \$50 of earned income per month and adding a cross-reference to chapter 256P. Makes this section effective October 1,

## Section

2015.

- 6 **Eligibility.** Amends § 256D.08, subd. 1. Removes exclusion of certain resources when determining eligibility for GA and adds a cross-reference to chapter 256P. Makes this section effective January 1, 2016.
- 7 **Verification.** Amends § 256D.08, by adding subd. 3. Requires agencies to use the procedures established in chapter 256P to verify eligibility for GA. Makes this section effective January 1, 2016.
- 8 **Administrative hearing prior to adverse action.** Amends § 256D.10. Removes a cross-reference that is repealed in section 38. Makes this section effective January 1, 2016.
- 9 **Verification of information.** Amends § 256D.405, subd. 1. Modifies the MSA program by removing language regarding verification of information and adds a cross-reference to chapter 256P. Makes this section effective February 1, 2015.
- 10 **Reports.** Amends § 256D.405, subd. 3. Updates terminology and makes this section effective February 1, 2015.
- 11 **Resource standards.** Amends § 256D.425, subd. 2. Clarifies that for persons receiving SSI benefits, the determination of resources does not change. For persons not receiving SSI benefits, the resource standards are governed by chapter 256P.
- 12 **Agency.** Amends § 256I.03, by adding subd. 1a. Defines “agency” under the GRH program.
- 13 **Individual eligibility requirements.** Amends § 256I.04, subd. 1. Updates terminology and makes technical changes. Modifies resource restrictions and standards and references chapter 256P. Makes this section effective January 1, 2016.
- 14 **Agency.** Amends § 256J.08, by adding subd. 2a. Defines “agency” under the MFIP program.
- 15 **Income.** Amends § 256J.08, subd. 47. Modifies the definition of “income” by removing a cross-reference to chapter 256J and adding a cross-reference to chapter 256P. Makes this section effective January 1, 2016.
- 16 **Minnesota Family Investment Program or MFIP.** Amends § 256J.08, subd. 57. Removes an obsolete cross-reference.
- 17 **Significant change.** Amends § 256J.08, subd. 83. Modifies the definition of “significant change” by removing a cross-reference to chapter 256J and adding a cross-reference to 256P. Makes this section effective January 1, 2015.
- 18 **MFIP eligibility requirements.** Amends § 256J.10. Removes a cross-reference to chapter 256J and adds a cross-reference to 256P. Makes this section effective January 1, 2016.
- 19 **Initial income test.** Amends § 256J.21, subd. 3. Modifies MFIP initial income tests by

## Section

adding cross-references to chapter 256P and removing language related to disregards and modifications of child support orders. Makes this section effective October 1, 2015.

- 20 Monthly income test and determination of assistance payment.** Amends § 256J.21, subd. 4. Modifies MFIP monthly income tests and determination of assistance payment by adding cross-references to chapter 256P, removing language related to modifications of child support orders, and clarifying language regarding the MFIP transitional standard. Makes this section effective October 1, 2015.
- 21 Participant's completion of recertification of eligibility form.** Amends § 256J.30, subd. 4. Updates cross-references by adding a cross-reference to chapter 256P. Makes this section effective February 1, 2015.
- 22 Changes that must be reported.** Amends § 256J.30, subd. 9. Updates cross-references and terminology. Removes a cross-reference to the shared household standard, which is repealed in section 38. Makes this section effective January 1, 2015.
- 23 Verification of information.** Amends § 256J.32, subd. 1. Modifies verification of information for MFIP eligibility by requiring the process under chapter 256P. Makes this section effective February 1, 2015.
- 24 Prospective eligibility.** Amends § 256J.33, subd. 2. Makes technical changes and updates cross-references. Makes this section effective January 1, 2016.
- 25 Treatment of income and lump sums.** Amends § 256J.37, as amended by Laws 2013, ch. 107, art. 4, § 15.

**Subd. 1. Deemed income from ineligible assistance unit members.** Updates terminology, modifies the MFIP earned income disregard by requiring determination of the disregard under chapter 256P, removes language related to modifications of child support orders, and clarifies the MFIP transitional standard.

**Subd. 1a. Deemed income from disqualified assistance unit members.** Makes technical changes, modifies the MFIP earned income disregard by requiring determination of the disregard under chapter 256P, removes language related to modifications of child support orders, and clarifies the MFP transitional standard.

**Subd. 1b. Deemed income from parents of minor caregivers.** Modifies disregards for the purpose of deeming income from parents of minor caregivers.

**Subd. 2. Deemed income and assets of sponsor of noncitizens.** Updates terminology.

**Subd. 3. Earned income of wage, salary, and contractual employees.** Updates terminology.

**Subd. 3a. Rental subsidies; unearned income.** Updates terminology.

**Subd. 4. Self-employment.** Modifies the definition of "self-employment" by

## Section

cross-referencing the definition in chapter 256P.

**Subd. 5. Self-employment earnings.** Modifies the determination of self-employment earnings by requiring determination under chapter 256P.

**Subd. 6. Self-employment budget period.** Modifies the self-employment budget period by requiring agencies to budget self-employment earned income according to chapter 256P.

**Subd. 7. Farm income.** Modifies the treatment of farm income by treating it as self-employment income under chapter 256P and requiring agencies to budget farm income as self-employment earned income according to chapter 256P.

**Subd. 8. Rental income.** Modifies treatment of rental income by making it subject to the requirements of chapter 256P.

**Subd. 9. Unearned income.** Updates terminology.

**Subd. 10. Treatment of lump sums.** Updates terminology.

Makes the amendments to subdivisions 1, 1a, 1b, and 2 effective October 1, 2015.

Makes the amendments to subdivisions 4, 5, 6, 7, and 8 effective February 1, 2015.

Makes the amendments to subdivisions 9 and 10 effective January 1, 2015.

- 26 Eligibility.** Amends § 256J.425, subd. 1. Removes a cross-reference to the MFIP shared household standard, which is repealed in section 38. Makes this section effective January 1, 2015.
- 27 Status of disqualified participants.** Amends § 256J.425, subd. 7. Removes a cross-reference to the MFIP shared household standard, which is repealed in section 38. Makes this section effective January 1, 2015.
- 28 Verification requirements.** Amends § 256J.95, subd. 8. Removes a cross-reference to MFIP verification factors, which are repealed in section 38. Requires eligibility verification to follow requirements in chapter 256P. Makes this section effective February 1, 2015.
- 29 Property and income limitations.** Amends § 256J.95, subd. 9. Updates terminology and modifies asset limits and exclusions by applying the limits and exclusions under chapter 256P for DWP participants. Makes this section effective January 1, 2016.
- 30 Diversionary work program grant.** Amends § 256J.95, subd. 10. Updates cross-references. Makes this section effective January 1, 2015.
- 31 Applicability.** Creates § 256P.001. Makes GA, MSA, GRH, and MFIP subject to the requirements of chapter 256P, unless otherwise specified or exempted.
- 32 Definitions.** Creates § 256P.01. Defines “agency,” “earned income,” “earned income disregard,” “equity value,” “personal property,” and “self-employment.”

## **Section**

- 33 Personal property limitations.** Creates § 256P.02. Establishes personal property limitations. Prohibits the equity value of an assistance unit's personal property from exceeding \$10,000. Limits personal property to cash, bank accounts, liquid stocks and bonds that can be readily accessed without financial penalty, and vehicles that are not excluded. Excludes one vehicle per assistance unit member age 16 or older. Specifies the process for determining the value of non-excluded vehicles. Makes this section effective January 1, 2016.
- 34 Earned income disregard.** Creates § 256P.03. Exempts participants who qualify for MSA or GRH on the basis of eligibility for SSI from this section. Establishes the earned income disregard, which is the first \$65 of earned income plus one-half of the remaining earned income per month. Makes this section effective October 1, 2015.
- 35 Documenting, verifying, and recertifying eligibility.** Creates § 256P.04.
- Subd. 1. Exemption.** Exempts participants who receive MSA and who maintain SSI eligibility under MSA and GRH from the reporting requirements of this section, with certain exceptions.
- Subd. 2. Verification of information.** Limits agencies to only requiring verification of information necessary to determine eligibility and the amount of the assistance payment. Requires agencies to assist applicants or participants in obtaining verifications and required documents when the applicant or participant is unable to do so.
- Subd. 3. Documentation.** Requires applicants or participants to document required information or authorize the agency to verify the information. Places the burden of providing documentary evidence to verify eligibility on the applicant or participant. Requires agencies to accept a signed personal statement from an applicant or participant when determining personal property values. Requires the signed statement to include general penalty warnings and a disclaimer that any false or misrepresented information is subject to prosecution for fraud.
- Subd. 4. Factors to be verified.** Lists the factors the agency must verify at application.
- Subd. 5. MFIP-only verifications.** Lists additional information agencies must verify for MFIP.
- Subd. 6. Personal property inconsistent information.** Specifies the process for documenting and verifying eligibility if there is inconsistent information known to the agency related to personal property.
- Subd. 7. Documenting and verifying inconsistent information.** Requires the agency to document the reason for verifying information in the financial case record when inconsistent information is verified.

## Section

**Subd. 8. Recertification.** Specifies the procedure for recertifying eligibility.

**Subd. 9. MFIP-only recertification.** Lists additional information that must be verified as part of an MFIP recertification.

**Subd. 10. Participant's completion of form for recertification of eligibility.** Requires participants to complete forms prescribed by the commissioner for recertification of eligibility. Requires agencies to end benefits when a participant fails to submit the recertification form and verifications before the end of the certification period. Requires benefits to be reinstated and made available retroactively for the full benefit month if a participant submits the recertification form within 30 days of the termination of benefits.

**Subd. 11. Participant's completion of household report form.** Specifies procedures when a participant is required to complete a household report form.

**Subd. 12. Contacting third parties.** Prohibits agencies from requesting information about an applicant or participant that is not of public record from a source other than agencies, the department, or the U.S. DHHS without the applicant's or participant's prior written consent. Allows agencies to use a single consent form to contact a group of similar sources, such as banks or insurance agencies, but the sources to be contacted must be identified by the agency prior to requesting the applicant's consent.

**Subd. 13. Notice to undocumented persons; release of private data.** Requires agencies to provide notification to undocumented persons regarding the release of personal data to the U.S. CIS and develop protocols regarding the release or sharing of data about undocumented persons with the U.S. CIS.

**Subd. 14. Requirement to report to United States Citizenship and Immigration Services (CIS).** Requires the commissioner to comply with specified federal law.

**Subd. 15. Personal statement.** Specifies the circumstances under which an agency may accept a personal statement from an applicant or participant when requested documentation is unavailable.

**Subd. 16. Excluded resources.** Excludes payments of funds made according to litigation and subsequent appropriation by the United States Congress to compensate members of Indian tribes for the taking of tribal lands by the federal government.

Makes this section effective February 1, 2015.

**36 Self-employment earnings.** Creates § 256P.05.

**Subd. 1. Exempted programs.** Exempts participants who qualify for MSA and GRH on the basis of eligibility for SSI from this section.

## Section

**Subd. 2. Self-employment income determinations.** Lists the methods agencies must use in determining self-employment income.

**Subd. 3. Self-employment budgeting.** Specifies the self-employment budget period begins in the month of application or in the first month of self-employment. Requires applicants and participants to choose the method for determining self-employment earned income.

Makes this section effective February 1, 2015.

**37 Recommendations; draft legislation.** Allows the commissioner of human services, in consultation with others, to provide for further uniformity and simplification of assistance programs by preparing legislation to plan for the implementation of prospective budgeting, three-month reporting, uniform reporting, and budgeting standards. Allows the commissioner to provide recommendations and a plan for implementation to the legislative committees with jurisdiction over health and human services policy and finance.

**38 Repealer.** Paragraph (a) repeals Minn. Stat. 2012, §§ 256J.08, subs. 55a (MFIP standard of need) and 82a (shared household standard); and 256J.24, subd. 9 (shared household standard; MFIP), effective January 1, 2015.

Paragraph (b) repeals Minn. Stat. 2012, §§ 256D.405, subs. 1a (exemption) and 2 (redetermination of eligibility); 256J.08, subd. 42 (gross receipts); and 256J.32, subs. 2 (documentation), 3 (contacting third parties), 4 (factors to be verified), 5a (inconsistent information), 6 (recertification), 7 (notice to undocumented persons; release of private data), 7a (requirement to report to United States Citizenship and Immigration Services), and 8 (personal statement), effective February 1, 2015.

Paragraph (c) repeals Minn. Stat. 2012, § 256D.06, subd. 1b (earned income savings account), effective October 1, 2015.

Paragraph (d) repeals Minn. Stat. 2013 Supplement, § 256J.08, subd. 24 (disregard), effective October 1, 2015.

Paragraph (e) repeals Minn. Stat. 2012, §§ 256D.08, subd. 2 (rulemaking; exclusion of property); and 256J.20 (property limitations), effective January 1, 2016.