

H.F. 2476

Third engrossment

Subject Children and Families Finance Bill**Authors** Pinto**Analyst** Annie Mach
Sarah Sunderman**Date** May 3, 2024**Overview**

H.F. 2476 is the children and families finance bill for the 2024 legislative session.

Table of Contents

Article 1: Child Protection and Support	2
Article 2: Economic Supports	7
Article 3: Housing and Homelessness	8
Article 4: Child Care Licensing	9
Article 5: Department of Children, Youth, and Families	10
Article 6: Appropriations	15

Article 1: Child Protection and Support

Contains provisions modifying child critical incident and fatality review procedures; establishes notice, disclosure, use, accounting, and reporting requirements when a financially responsible agency applies for and receives benefits on behalf of a child in foster care; clarifies the definition of “child in need of protection or services;” makes technical and clarifying changes; invites the chief justice of the supreme court to establish a Supreme Court Council on Child Protection; requires a review of maltreatment reporting processes and systems; establishes grants to prevent nonrelative foster care placements; and requires a fiscal analysis of Minnesota’s child welfare system.

Section	Description - Article 1: Child Protection and Support
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1	Department of Human Services systemic critical incident review team.
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	Amends § 256.01, subd. 12b. Clarifies that child fatalities or near fatalities in licensed facilities must be reviewed by the systemic critical incident review team. Makes this section effective July 1, 2025.
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2	Treatment of Supplemental Security Income.
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	Amends § 256N.26, subd. 12. Requires a financially responsible agency that applies to be the payee for a child’s SSI benefits to provide written notice by certified mail to:
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| | <ul style="list-style-type: none">▪ the child, if over 13 years of age;▪ the child’s next of kin;▪ the guardian ad litem;▪ the legally responsible agency; and▪ the counsel appointed for the child. |
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	For a child over 13 years of age living in Minnesota, requires the legally responsible agency and the guardian ad litem to disclose that a financially responsible agency receives SSI benefits under this subdivision, in an understandable manner.
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	Specifies that the financially responsible agency must only use a child’s SSI benefits to pay for the care of that child; prohibits commingling of SSI benefits with any other funds.
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	Requires the financially responsible agency to keep accounting records for SSI benefits received; lists information that must be recorded.
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	Requires each financially responsible agency to submit a report to the commissioner annually by January 1, and requires the commissioner to submit a report to the legislature annually by January 31 compiling the information from the financially responsible agencies.
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Section Description - Article 1: Child Protection and Support

3 Treatment of retirement survivor's disability insurance, veteran's benefits, railroad retirement benefits, and black lung benefits.

Amends § 256N.26, subd. 13. Establishes the same requirements as under section 2, for retirement, survivor's, and disability insurance, veteran's benefits, railroad retirement benefits, or black lung benefits received on a child's behalf.

4 Child in need of protection or services.

Amends § 260C.007, subd. 6. Modifies the definition of "child in need of protection or services" to specify that a child is not considered to be without proper parental care solely because the child's parent, guardian, or custodian has a disability.

5 Notice.

Amends § 260C.331 by adding subd. 7. Establishes the same notice, disclosure, and use requirements as under section 2, for benefits received under section 260C.4411, subdivision 2 (RSDI, SSI for the aged, blind, and disabled, or foster care maintenance payments under Title IV-E).

Requires the county of financial responsibility to keep a record of the total amount it received on behalf of all children for whom the county receives benefits, and the total number of children for whom the county receives benefits, and to submit an annual report to the commissioner.

6 Child fatality and near fatality review.

Proposes coding for § 260E.39. Outlines new process for child fatality and near fatality reviews.

Subd. 1. Definitions. Defines "critical incident;" "joint review;" "local review;" "local review team;" and "panel" for purposes of this section.

Subd. 2. Local child mortality review teams. Requires each county to establish a multidisciplinary local child mortality review team, participate in local critical incident reviews, and conduct critical incident reviews jointly with the child mortality review panel.

Subd. 3. Child mortality review panel; establishment and membership. Paragraph (a) requires the commissioner to establish a child mortality review panel to review critical incidents attributed to child maltreatment, identify systemic changes to improve child safety, and recommend regulatory and policy changes.

Paragraph (b) lists the members of the panel, and paragraph (c) requires the governor to appoint a chair. Paragraph (d) specifies member terms and removal procedures. Paragraph (e) requires the commissioner to employ an executive

Section Description - Article 1: Child Protection and Support

director for the panel, to provide administrative support and perform other listed duties.

Subd. 4. Critical incident review process. Outlines the critical incident review process. Paragraph (a) requires the local welfare agency to report the critical incident to the commissioner and the panel executive director within three business days of when the agency makes a maltreatment determination related to the critical incident.

Paragraph (b) requires the panel to conduct a joint review with the local review team for critical incidents that meet listed criteria. Paragraph (c) requires the local review team to review all critical incidents not subject to joint review.

Paragraph (d) requires the panel or local review team to complete the joint review or local review and compile a report within 120 days of initiating the review of a critical incident; specifies what the report must include. Paragraph (e) requires the local review team to provide its local review report to the panel within three business days of completion and allows the panel to conduct a further review after receiving the local review team report.

Paragraph (f) allows the panel to make recommendations to any state or local agency, branch of government, or system partner to improve child safety and well-being.

Paragraph (g) requires the commissioner to conduct additional information gathering at the request of the panel, and compile a summary report for each critical incident for which the team conducts information gathering. Paragraph (h) allows the panel or local review team to conduct its review and compile its report after receiving this summary report and extend the timeline for its review and report accordingly.

Paragraph (i) requires critical incident reviews to proceed as specified in this section, regardless of the status of any pending litigation or active investigations.

Subd. 5. Critical incident reviews; data practices and immunity. Outlines access to not public data for entities involved in critical incident review processes. Specifies that data acquired by an entity involved in critical incident review is protected nonpublic or confidential data, and is not subject to subpoena or discovery; allows disclosure as necessary to carry out the purposes of the review team or panel.

Paragraph (c) requires the commissioner to disclose specified data upon request, but with specified limitations. Paragraph (d) outlines data disclosure prohibitions for meeting attendees and team members; specifies data classification for

Section Description - Article 1: Child Protection and Support

proceedings and records of review teams and the panel. Paragraph (e) prohibits a member of a review team or the panel or a person who presented information as part of a critical incident review from being prevented from testifying about matters within the person's knowledge; prohibits such a person from being questioned about participation in a critical incident review.

Paragraph (f) provides immunity from civil or criminal liability for specified persons, if acting in good faith and assisting in information gathering or a critical incident review.

Subd. 6. Child mortality review panel; annual report. Requires the commissioner to publish an annual report of the child mortality review panel. Specifies contents of the report.

Subd. 7. Local welfare agency critical incident review training. Requires the commissioner to provide training, support, and consultation to the panel and local review teams.

Subd. 8. Culture of learning and improvement. Requires the local review teams and panel to advance and support a culture of learning and improvement within the child welfare system.

Makes this section effective July 1, 2025.

7 Exception.

Amends § 518A.42, subd. 3. Makes technical clarifying changes to exception criteria for minimum basic child support amount.

8 Compensation.

Amends Laws 2023, chapter 70, article 14, section 52 by adding subd. 9. Establishes compensation for community resource center advisory council members.

9 Supreme Court Council on Child Protection.

Outlines establishment, membership, administration, duties, and required reports for the Supreme Court Council on Child Protection.

Subd. 1. Establishment. Invites the chief justice of the supreme court to establish a Supreme Court Council on Child Protection, as part of the Children's Justice Initiative, to develop a comprehensive blueprint to improve Minnesota's child protection system.

Subd. 2. Membership. Lists the members of the council and appointing authorities for each member.

Section Description - Article 1: Child Protection and Support

Subd. 3. Organization and administration. Specifies that the council is governed by the requirements under section 15.059; requires the state court administrator to provide administrative support to the council; specifies that council members serve at the pleasure of the appointing authority and that the chief justice must select a chairperson.

Subd. 4. Meetings. Outlines requirements for council meetings, which must begin by September 15, 2024.

Subd. 5. Duties. Requires the council to develop a comprehensive blueprint for improvement that addresses all aspects of the child protection system; lists activities the council must undertake when developing the blueprint.

Subd. 6. Reports. Requires the council to submit an initial progress report to the governor, the chief justice, and the legislature by January 15, 2025. Requires the council to submit a final report by January 15, 2026, detailing the council's comprehensive blueprint.

Subd. 7. Expiration. Specifies that the council expires upon the submission of its final report.

10 Preventing nonrelative foster care placement grants.

Requires the commissioner of children, youth, and families to award grants to eligible community-based nonprofit organizations to provide culturally competent supports and services for relative caregivers of children from communities that are disproportionately overrepresented in the child welfare system, as determined by the commissioner, based on available data. Lists allowable uses of grant funds and provides a definition of "relative" for purposes of this section.

11 Direction to commissioner of children, youth, and families; child maltreatment reporting systems review and recommendations.

Directs the commissioner of children, youth, and families to review and evaluate child maltreatment reporting processes and systems in other states, and work with stakeholders to develop recommendations on implementing a statewide common entry point system for reporting child maltreatment in Minnesota. Requires the commissioner to submit a report to the legislature by March 1, 2025, detailing the commissioner's recommendations and to publish the report on the department's website. Makes this section effective the day following final enactment.

12 Direction to commissioner of human services; child welfare fiscal analysis.

Directs the commissioner of human services to contract with a third-party consultant to conduct a fiscal analysis that evaluates Minnesota's child welfare system resources, financial systems, access to and use of federal funding or reimbursement,

Section	Description - Article 1: Child Protection and Support
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and other relevant information. Outlines how the consultant must be selected and what the consultant must evaluate, and requires a report on the fiscal analysis and any recommendations by June 30, 2026. Specifies that each of Minnesota's 11 federally recognized Tribal Nations is invited to participate in the fiscal analysis and program evaluation, and that participating Tribal Nations have sovereignty over any shared data.

13	Repealer.
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Repeals section 256.01, subdivisions 12 and 12a (child mortality review panel; Department of Human Services child fatality and near fatality review team), and Minnesota Rules, part 9560.0232, subpart 5 (local child mortality review panel).

Makes this section effective July 1, 2025.

Article 2: Economic Supports

Addresses Supplemental Nutrition Assistance Program (SNAP) eligibility for students enrolled in higher education, makes modifications to the family assets for independence in Minnesota (FAIM) program, and modifies the amount available for administration for the diaper distribution grant program.

Section	Description - Article 2: Economic Supports
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1	Campus-based employment and training program for students enrolled in higher education.
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Creates § 256D.66. Addresses SNAP eligibility for students enrolled in higher education.

Subd. 1. Designation. Directs the Board of Trustees of Minnesota State Colleges and Universities and the Board of Regents of the University of Minnesota to apply to DHS to verify whether its institutions meet the requirements to be a campus-based employment and training program that qualifies for the student exemption for SNAP eligibility. Requires the boards to submit the application within six months of the effective date of this section.

Subd. 2. Student eligibility. Sets out the eligibility criteria a student must meet to participate in a campus-based employment and training program.

Subd. 3. Guidance. Directs DHS, in consultation with the commissioner of higher education, to provide guidance to counties, Tribal Nations, Tribal colleges, and public postsecondary institutions on campus-based employment and training

Section Description - Article 2: Economic Supports

programs. Provides that the guidance must be available within three months of the effective date of this section and annually thereafter.

Subd. 4. Application. Directs DHS, in consultation with the commissioner of higher education, to design an application for institutions of higher education to use to apply for a campus-based employment and training program. Provides that the application must be completed within three months of the effective date of this section.

Subd. 5. Notice. Provides that an institution of higher education with a campus-based employment and training program must send a letter, at the beginning of each academic semester, to students eligible under this section to inform them that they may qualify for SNAP benefits. Provides that the letter serves as proof of a student's enrollment in a campus-based employment and training program.

Makes the section effective upon federal approval.

2 Definitions. [FAIM]

Amends § 256E.35, subd. 2. Modifies the definition of "household" for purposes of the FAIM program, to include individuals who share finances and use of a dwelling unit and further clarifies that "sharing finances" does not include sharing a dwelling unit without sharing any other finances.

3 Household eligibility; participation. [FAIM]

Amends § 256E.35, subd. 5. Modifies household eligibility requirements for purposes of the FAIM program, to remove a reference to state or TANF matching funds and replaces a reference to federal eligibility requirements with specified maximum income requirements of 200 percent of the federal poverty guidelines or 50 percent of the area median income.

4 Eligible uses of grant money. [Diaper distribution grant program]

Modifies § 256E.38, subd. 4. Provides that the Diaper Bank of Minnesota may use up to ten percent of the grant money for a diaper distribution program that it receives from DHS for administrative costs.

Article 3: Housing and Homelessness

Contains requirements for the commissioner of human services to contract with third-party entities to conduct studies on the needs of: (1) LGBTQIA+ youth experiencing homelessness; and (2) pregnant and parenting youth experiencing homelessness.

Section	Description - Article 3: Housing and Homelessness
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| 1 | Emergency shelter needs analysis for transgender adults experiencing homelessness.

Requires the commissioner of human services to contract with Propel Nonprofits to conduct a needs analysis for emergency shelter serving transgender adults experiencing homelessness and to conduct a site analysis and develop a plan for the shelter. Directs Propel Nonprofits to submit a report to the commissioner on the results of the needs analysis and site analysis by March 1, 2025, and directs the commissioner to submit the report to the legislature within five business days of receipt. |
| 2 | Pregnant and parenting homeless youth study.

Requires the commissioner of human services to contract with the Wilder Foundation to conduct a study on the number and needs of pregnant and parenting youth experiencing homelessness, and best practices for supporting such youth across settings. Requires the Wilder Foundation to submit a final report to the commissioner, and requires the commissioner to submit that report to the legislature. |

Article 4: Child Care Licensing

Directs the commissioner of children, youth, and families to develop and implement a weighted risk system to determine when a licensed child care provider may receive technical assistance rather than a correction order for noncompliance with a licensing requirement.

Section	Description - Article 4: Child Care Licensing
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| 1 | Child care weighted risk system.

Creates § 142B.171.

Subd. 1. Implementation. Directs the commissioner of children, youth, and families to develop and implement a weighted risk system that provides a tiered enforcement framework for child care licensing (for both family child care providers and child care centers).

Subd. 2. Documented technical assistance. Directs the commissioner to provide documented technical assistance to a child care license holder in lieu of a correction order under specified circumstances. Provides that documented technical assistance states the conditions that violate a law or rule, references the law or rule violated, and explains remedies for correcting the violation. |
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Section	Description - Article 4: Child Care Licensing
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Prohibits the commissioner from publicly publishing documented technical assistance on the department's website.

2 Repealer.

Repeals § 245A.065. Repeals the section of statute that allows the commissioner to issue a fix-it ticket to licensed child care providers in lieu of a correction order.

Article 5: Department of Children, Youth, and Families

Establishes an intergovernmental committee to advise DCYF on providing services to children, youth, and families; directs DCYF to designate a department leader who is responsible for coordinating services and outcomes around children's mental health and for children at risk of disabilities among related agencies; and transfers specified programs to DCYF. Provides that state hearings related to DCYF programs are handled by human services judges. Directs the ombudsperson for family child care providers to report to and receive assistance from DCYF rather than DHS.

Section	Description - Article 5: Department of Children, Youth, and Families
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1 Children, youth, and families intergovernmental advisory committee.

Creates § 142A.045. Establishes an intergovernmental advisory committee to advise the commissioner of children, youth, and families on planning, funding, evaluating, and providing services to children, youth, and families. Directs the commissioner, the Association of Minnesota Counties, and the Minnesota Association of County Social Services Administrators to develop and execute a process to administer the committee that ensures each county in the state is represented. Provides that the committee must meet at least quarterly, allows the committee chair or a majority of members to call special meetings, allows the commissioner to reimburse committee members, and provides that the committee does not expire.

2 Duties. [Ombudsperson for family child care providers]

Amends § 245.975, subd. 2. Clarifies that the ombudsperson for family child care providers must annually report to the commissioner of children, youth, and families rather than the commissioner of human services.

3 Access to records. [Ombudsperson for family child care providers]

Amends § 245.975, subd. 4. Directs the commissioner of children, youth, and families to provide information on licensing actions issued to family child care providers to the ombudsperson for family child care providers.

Section Description - Article 5: Department of Children, Youth, and Families

- 4 Posting. [Ombudsperson for family child care providers]**
Amends § 245.975, subd. 9. Clarifies that the commissioner of children, youth, and families, rather than the commissioner of human services, must post information about the ombudsperson for family child care providers on the department's website.
- 5 Appropriations from registration and license fee account.**
Amends § 256.043, subd. 3. Appropriates the amounts required to go toward providing child protection services from the registration and license fee account under the Opiate Epidemic Response Advisory Council to the commissioner of children, youth, and families. Under current law, the amounts are appropriated to the commissioner of human services.
- 6 Appropriations from settlement account.**
Amends § 256.043, subd. 3a. Appropriates the amounts required to go toward providing child protection services from the settlement account under the Opiate Epidemic Response Advisory Council to the commissioner of children, youth, and families. Under current law, the amounts are appropriated to the commissioner of human services.
- 7 State agency hearings.**
Amends § 256.045, subd. 3, as amended. Provides that administrative and judicial review of human services matters is available, in specified circumstances, to an individual or facility determined to have maltreated a minor, and limits the scope of hearings involving specified claims of foster care payments.
- 8 Standard of evidence for maltreatment and disqualification hearings.**
Amends § 256.045, subd. 3b, as amended. Provides that a state human services judge, for purposes of standard of evidence for maltreatment and disqualification hearings, may recommend an order to the commissioner of children, youth, and families, who may then issue a final order.
- 9 Orders of the commissioner of human services.**
Amends § 256.045, subd. 5, as amended. Exempts state agency hearings available to individuals for programs administered by DCYF from a state human services judge's requirement to conduct hearings on appeals and to recommend orders to the commissioner of DHS.
- 10 Judicial review.**
Amends § 256.045, subd. 7, as amended. Provides that a party aggrieved by an order of the commissioner of children, youth, and families in appeals over a maltreatment

Section Description - Article 5: Department of Children, Youth, and Families

determination may appeal the order to the county where the maltreatment occurred.

11 Scope.

Amends § 256.0451, subd. 1, as amended. Provides that DHS hearing procedures apply to hearings and appeals for programs administered by DCYF.

12 Decisions.

Amends § 256.0451, subd. 22. Provides that the commissioner of children, youth, and families may review recommended decisions made by human services judges and determine whether to accept the decisions.

13 Reconsideration.

Amends § 256.0451, subd. 24. Adds a reference to the authority of the commissioner of children, youth, and families to issue orders based on recommendations from human services judges.

14 Combined hearing.

Amends § 256.046, subd. 2, as amended. Makes conforming changes related to having state human services judges conduct hearings for programs administered by DCYF.

15 Department of Human Services.

Amends Laws 2023, chapter 70, article 12, section 30, subd. 2. Amends the list of programs and responsibilities that transfer from DHS to DCYF to include:

- the American Indian food sovereignty program;
- capital for emergency food distribution facilities;
- community resource centers;
- the diaper distribution grant program;
- the Family First Prevention Services Act support and development grant;
- the Family First Prevention Services Act kinship navigator program;
- the family first prevention and early intervention allocation program;
- grants for prepared meals food relief;
- independent living skills for foster youth;
- legacy adoption assistance;
- the quality parenting initiative grant program;
- relative custody assistance;
- reimbursement to counties and Tribes for certain out-of-home placements; and

Section Description - Article 5: Department of Children, Youth, and Families

- Supplemental Nutrition Assistance Program outreach.

Strikes the requirement to transfer resettlement programs from DHS to DCYF. Makes the section effective immediately.

16 Department of Education.

Amends Laws 2023, chapter 70, article 12, section 30, subd. 3. Amends the list of programs and responsibilities that transfer from MDE to DCYF to include grants for Grow Your Own early childhood and family educator programs.

Makes the section effective immediately.

17 Hearings held by the Department of Human Services.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 1. Provides that state agency hearings for programs administered by DCYF must be heard by human services judges.

18 State agency hearings.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 2. Makes conforming changes related to having human services judges make maltreatment determinations instead of children, youth, and families judges.

19 Orders of the commissioner of children, youth, and families.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 5. Makes conforming changes related to having state human services judges conduct hearings for programs administered by DCYF.

20 Additional powers of commissioner; subpoenas.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 6. Makes conforming changes related to having state human services judges conduct hearings for programs administered by DCYF.

21 Judicial review.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 7. Makes conforming changes related to having state human services judges conduct hearings for programs administered by DCYF.

22 Appeal.

Amends Laws 2024, chapter 80, article 1, section 38, subd. 9. Makes conforming changes related to having state human services judges conduct hearings for programs administered by DCYF.

Section Description - Article 5: Department of Children, Youth, and Families

23 Revisor instruction.

Amends Laws 2024, chapter 80, article 1, section 96. Identifies new statutory coding for programs that transfer from DHS to DCYF under this bill.

24 Revisor instruction.

Amends Laws 2024, chapter 80, article 4, section 26. Identifies new statutory coding for the Grow Your Own early childhood and family educator program that transfers from MDE to DCYF under this bill.

25 Revisor instruction.

Amends Laws 2024, chapter 80, article 6, section 4. Identifies new statutory coding for programs that transfer from DHS to DCYF under this bill.

26 Direction to the commissioner of children, youth, and families; coordination of services for children with disabilities and mental health.

Directs the DCYF commissioner to designate a department leader responsible for coordinating services and outcomes around children's mental health and children with or at risk for disabilities among DCYF, DHS, and related agencies.

27 Revisor instruction.

Directs the revisor of statutes to correct statutory cross-references consistent with the act.

28 Repealer.

Repeals § 245.975, subd. 8 (requirement for the DHS commissioner to provide the ombudsperson for family child care providers with office space, supplies, equipment, and clerical support).

Repeals Laws 2024, chapter 80, article 1:

- section 38, subdivisions 3, 4, and 11 (related to administrative and judicial processes);
- section 39 (procedures for conducting hearings); and
- section 43, subdivision 2 (providing for combined hearings between DCYF and DHS).

Repeals Laws 2024, chapter 80, article 7:

- section 3 (related to hearings conducted by DCYF); and
- section 9 (relating to hearings conducted by DCYF).

Article 6: Appropriations

This article appropriates money from the specified funds in fiscal years 2024 and 2025 to the commissioner of human services; commissioner of education; commissioner of children, youth, and families; ombudsperson for family child care providers; and the Minnesota Supreme Court, for the specified purposes.



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