

Public Assistance Simplification

In 2014 and 2015, the Minnesota Legislature enacted legislation to simplify the administration of various public assistance programs in Minnesota and to make the programs more transparent and easier for eligible individuals to navigate (see [Minn. Stat. ch. 256P](#)).

Which programs are included in the simplification?

The following programs are included in the public assistance simplification:

- the **Minnesota Family Investment Program (MFIP)**, which is a jointly funded, federal-state program designed to provide income assistance for eligible low-income families
- the **Diversionsary Work Program (DWP)**, which provides short-term diversionary benefits to eligible recipients that are designed to lead to unsubsidized employment, increase economic stability, and reduce the risk of families needing longer-term assistance
- **General Assistance (GA)**, which is a state program that provides cash assistance to needy persons who fall into specified statutory categories and who meet the GA eligibility requirements
- **Minnesota Supplemental Aid (MSA)**, which is a state program that provides supplemental cash assistance to aged, blind, and disabled persons who are Supplemental Security Income (SSI) recipients, or who would qualify for SSI except for excess income
- **Group Residential Housing (GRH)**, which is a state program that provides payments on behalf of eligible persons to pay for room and board and related housing services
- **child care assistance programs (CCAP)**, which subsidize the child care expenses of eligible families, including families participating in MFIP or DWP with household incomes less than or equal to 67 percent of the state median income, and low-income working families or students who receive no cash assistance

What changes were made to simplify program administration?

The legislation enacted in 2014 (see [Laws 2014, ch. 312](#), art. 28) included provisions that:

- create uniform definitions of “agency,” “earned income,” “earned income disregard,” “equity value,” “personal property,” and “self-employment;”
- create a uniform earned income disregard, which disregards the first \$65 of earned income plus one-half of the remaining earned income each month;
- create uniform eligibility documentation, verification, and recertification procedures;
- establish uniform personal property limits; and
- repeal the MFIP shared household standard.

Changes in the 2015 legislation (see [Laws 2015, ch. 71](#), art. 5) included provisions that:

- create uniform definitions of “assistance unit” and “unearned income” and modifies the definition of “earned income;”
- establish uniform procedures for determining income eligibility;
- establish uniform requirements for reporting income and changes;
- include CCAP in the uniform procedures for determining income eligibility and uniform requirements for reporting income and changes; and
- establish uniform procedures for correcting overpayments and underpayments.

Are there any program-specific requirements?

Yes. There are additional program-specific requirements related to: (1) documenting and recertifying MFIP eligibility; (2) reporting income and changes for MFIP, DWP, CCAP, and MSA; and (3) recovering GA and MSA overpayments and recovering and recouping MFIP overpayments.

Are there any exemptions from the new requirements?

Yes. Participants who are eligible for the federal SSI program and for MSA or GRH must meet federal income eligibility requirements and are exempt from the earned income disregard, self-employment, and reporting of income and changes requirements. In addition, MSA participants who maintain SSI eligibility must meet federal reporting requirements and are exempt from the reporting requirements under the documentation, verification, and recertification provision.

GRH participants are exempt from the uniform procedures for correcting overpayments and underpayments because benefits from these programs are typically paid directly to a housing provider.

Finally, certain CCAP and MFIP assistance unit members are exempt from having their earned income count toward the income of an assistance unit.

When do the simplified requirements take effect?

There are varying effective dates for the changes that were made to simplify the public assistance programs:

- The MFIP shared household standard was repealed January 1, 2015
- The new treatment of earned income and self-employment income and the uniform eligibility documentation, verification, and recertification procedures were effective February 1, 2015
- The new earned income disregard is effective October 1, 2015
- The uniform personal property limitations are effective June 1, 2016
- All of the changes enacted in 2015 become effective on August 1, 2016

For more information: Contact legislative analyst Danyell Punelli at 651-296-5058.

The Research Department of the Minnesota House of Representatives is a nonpartisan office providing legislative, legal, and information services to the entire House.

House Research Department | 600 State Office Building | St. Paul, MN 55155 | 651-296-6753 | www.house.mn/hrd/