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State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. 3613

03/12/2018 Authored by Swedzinski  
The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act  
1.2 relating to human services; reforming welfare provisions; imposing asset limits;  
1.3 requiring probation officers to provide a list of probationers who test positive for  
1.4 illegal substances to welfare fraud division; modifying EBT card requirements;  
1.5 amending Minnesota Statutes 2016, sections 256.987, subdivisions 1, 2; 256B.056,  
1.6 subdivisions 3, 7a; 256D.024, subdivision 3; 256D.0515; 256D.0516, subdivision  
1.7 2; 256J.26, subdivision 3; Minnesota Statutes 2017 Supplement, section 256B.056,  
1.8 subdivision 3c; proposing coding for new law in Minnesota Statutes, chapters  
1.9 256D; 256J.

1.10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.11 Section 1. Minnesota Statutes 2016, section 256.987, subdivision 1, is amended to read:

1.12 Subdivision 1. **Electronic benefit transfer (EBT) card.** Cash benefits for the general  
1.13 assistance and Minnesota supplemental aid programs under chapter 256D and programs  
1.14 under chapter 256J must be issued on an EBT card ~~with~~. The name and photograph of the  
1.15 head of household and a list of family members authorized to use the EBT card must be  
1.16 printed on the card. The cardholder must show identification before making a purchase.  
1.17 The card must include the following statement: "It is unlawful to use this card to purchase  
1.18 tobacco products or alcoholic beverages." This card must be issued within 30 calendar days  
1.19 of an eligibility determination. During the initial 30 calendar days of eligibility, a recipient  
1.20 may have cash benefits issued on an EBT card without a name printed on the card. This  
1.21 card may be the same card on which food support benefits are issued and does not need to  
1.22 meet the requirements of this section.

1.23 Sec. 2. Minnesota Statutes 2016, section 256.987, subdivision 2, is amended to read:

1.24 Subd. 2. **Prohibited purchases and returns.** (a) An individual with an EBT card issued  
1.25 for one of the programs listed under subdivision 1 is prohibited from using the EBT debit

2.1 card to purchase tobacco products and alcoholic beverages, as defined in section 340A.101,  
2.2 subdivision 2. Any prohibited purchases made under this subdivision shall constitute unlawful  
2.3 use and result in disqualification of the cardholder from the program as provided in  
2.4 subdivision 4.

2.5 (b) An item purchased with an EBT card that is returned must be credited back to the  
2.6 EBT card. It is prohibited to give the EBT cardholder cash for returned items purchased  
2.7 with an EBT card.

2.8 Sec. 3. Minnesota Statutes 2016, section 256B.056, subdivision 3, is amended to read:

2.9 Subd. 3. **Asset limitations for ~~certain~~ individuals and families.** (a) To be eligible for  
2.10 medical assistance, a person must not individually own more than \$3,000 in assets, or if a  
2.11 member of a household with two family members, husband and wife, or parent and child,  
2.12 the household must not own more than \$6,000 in assets, plus \$200 for each additional legal  
2.13 dependent. In addition to these maximum amounts, an eligible individual or family may  
2.14 accrue interest on these amounts, but they must be reduced to the maximum at the time of  
2.15 an eligibility redetermination. The accumulation of the clothing and personal needs allowance  
2.16 according to section 256B.35 must also be reduced to the maximum at the time of the  
2.17 eligibility redetermination. The value of assets that are not considered in determining  
2.18 eligibility for medical assistance is the value of those assets excluded under the Supplemental  
2.19 Security Income program for aged, blind, and disabled persons, with the following  
2.20 exceptions:

2.21 (1) household goods and personal effects are not considered;

2.22 (2) capital and operating assets of a trade or business that the local agency determines  
2.23 are necessary to the person's ability to earn an income are not considered;

2.24 (3) motor vehicles are excluded to the same extent excluded by the Supplemental Security  
2.25 Income program;

2.26 (4) assets designated as burial expenses are excluded to the same extent excluded by the  
2.27 Supplemental Security Income program. Burial expenses funded by annuity contracts or  
2.28 life insurance policies must irrevocably designate the individual's estate as contingent  
2.29 beneficiary to the extent proceeds are not used for payment of selected burial expenses;

2.30 (5) for a person who no longer qualifies as an employed person with a disability due to  
2.31 loss of earnings, assets allowed while eligible for medical assistance under section 256B.057,  
2.32 subdivision 9, are not considered for 12 months, beginning with the first month of ineligibility

3.1 as an employed person with a disability, to the extent that the person's total assets remain  
 3.2 within the allowed limits of section 256B.057, subdivision 9, paragraph (d);

3.3 (6) when a person enrolled in medical assistance under section 256B.057, subdivision  
 3.4 9, is age 65 or older and has been enrolled during each of the 24 consecutive months before  
 3.5 the person's 65th birthday, the assets owned by the person and the person's spouse must be  
 3.6 disregarded, up to the limits of section 256B.057, subdivision 9, paragraph (d), when  
 3.7 determining eligibility for medical assistance under section 256B.055, subdivision 7. The  
 3.8 income of a spouse of a person enrolled in medical assistance under section 256B.057,  
 3.9 subdivision 9, during each of the 24 consecutive months before the person's 65th birthday  
 3.10 must be disregarded when determining eligibility for medical assistance under section  
 3.11 256B.055, subdivision 7. Persons eligible under this clause are not subject to the provisions  
 3.12 in section 256B.059; and

3.13 (7) effective July 1, 2009, certain assets owned by American Indians are excluded as  
 3.14 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public  
 3.15 Law 111-5. For purposes of this clause, an American Indian is any person who meets the  
 3.16 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

3.17 ~~(b) No asset limit shall apply to persons eligible under section 256B.055, subdivision~~  
 3.18 ~~15.~~

3.19 Sec. 4. Minnesota Statutes 2017 Supplement, section 256B.056, subdivision 3c, is amended  
 3.20 to read:

3.21 Subd. 3c. **Asset limitations for families and children.** ~~(a)~~ A household of two or more  
 3.22 persons must not own more than \$20,000 in total net assets, and a household of one person  
 3.23 must not own more than \$10,000 in total net assets. In addition to these maximum amounts,  
 3.24 an eligible individual or family may accrue interest on these amounts, but they must be  
 3.25 reduced to the maximum at the time of an eligibility redetermination. The value of assets  
 3.26 that are not considered in determining eligibility for medical assistance for families and  
 3.27 children is the value of those assets excluded under the AFDC state plan as of July 16, 1996,  
 3.28 as required by the Personal Responsibility and Work Opportunity Reconciliation Act of  
 3.29 1996 (PRWORA), Public Law 104-193, with the following exceptions:

3.30 (1) household goods and personal effects are not considered;

3.31 (2) capital and operating assets of a trade or business up to \$200,000 are not considered;

3.32 (3) one motor vehicle is excluded for each person of legal driving age who is employed  
 3.33 or seeking employment;

4.1 (4) assets designated as burial expenses are excluded to the same extent they are excluded  
4.2 by the Supplemental Security Income program;

4.3 (5) court-ordered settlements up to \$10,000 are not considered;

4.4 (6) individual retirement accounts and funds are not considered;

4.5 (7) assets owned by children are not considered; and

4.6 (8) effective July 1, 2009, certain assets owned by American Indians are excluded as  
4.7 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public  
4.8 Law 111-5. For purposes of this clause, an American Indian is any person who meets the  
4.9 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

4.10 ~~(b) Beginning January 1, 2014, this subdivision applies only to parents and caretaker~~  
4.11 ~~relatives who qualify for medical assistance under subdivision 5.~~

4.12 Sec. 5. Minnesota Statutes 2016, section 256B.056, subdivision 7a, is amended to read:

4.13 Subd. 7a. **Periodic renewal of eligibility.** (a) The commissioner shall make an annual  
4.14 redetermination of eligibility ~~based on information contained in the enrollee's case file and~~  
4.15 ~~other information available to the agency, including but not limited to information accessed~~  
4.16 ~~through an electronic database, without requiring the enrollee to submit any information~~  
4.17 ~~when sufficient data is available for the agency to renew eligibility.~~

4.18 ~~(b) If the commissioner cannot renew eligibility in accordance with paragraph (a),~~ The  
4.19 commissioner must provide the enrollee with a prepopulated renewal form containing  
4.20 eligibility information available to the agency and ~~permit the enrollee to~~ must submit the  
4.21 form with any corrections or additional information to the agency and sign the renewal form  
4.22 via any of the modes of submission specified in section 256B.04, subdivision 18.

4.23 (c) An enrollee who is terminated for failure to complete the renewal process may  
4.24 subsequently submit the renewal form and required information within four months after  
4.25 the date of termination and have coverage reinstated without a lapse, if otherwise eligible  
4.26 under this chapter.

4.27 (d) Notwithstanding paragraph (a), individuals eligible under subdivision 5 shall be  
4.28 required to renew eligibility every six months.

4.29 Sec. 6. Minnesota Statutes 2016, section 256D.024, subdivision 3, is amended to read:

4.30 Subd. 3. **Fleeing felons offenders.** An individual who is fleeing to avoid prosecution,  
4.31 or custody, or confinement after conviction for a crime ~~that is a felony~~ under the laws of

5.1 the jurisdiction from which the individual flees, ~~or in the case of New Jersey, is a high~~  
 5.2 ~~misdemeanor~~, is ineligible to receive benefits under this chapter.

5.3 **Sec. 7. [256D.0245] DRUG TESTING INFORMATION FROM PROBATION**  
 5.4 **OFFICERS.**

5.5 The local probation agency shall provide on a weekly basis to the local social services  
 5.6 agency, specifically the welfare fraud division, a list of probationers who tested positive  
 5.7 for an illegal controlled substance, for purposes of section 256D.024.

5.8 Sec. 8. Minnesota Statutes 2016, section 256D.0515, is amended to read:

5.9 **256D.0515 ASSET LIMITATIONS FOR FOOD STAMP HOUSEHOLDS.**

5.10 All food stamp households must be determined eligible for the benefit discussed under  
 5.11 section 256.029. Food stamp households must demonstrate that: (1) their gross income is  
 5.12 equal to or less than 165 percent of the federal poverty guidelines for the same family size;  
 5.13 and (2) they have financial resources, excluding vehicles, of less than \$7,000.

5.14 Sec. 9. Minnesota Statutes 2016, section 256D.0516, subdivision 2, is amended to read:

5.15 Subd. 2. **Food support reporting requirements.** The commissioner of human services  
 5.16 shall implement simplified reporting as permitted under the Food Stamp Act of 1977, as  
 5.17 amended, and the food stamp regulations in Code of Federal Regulations, title 7, part 273.  
 5.18 Food support recipient households are required to report periodically shall not be required  
 5.19 to report more often than one time every six months, and must report any changes in income,  
 5.20 assets, or employment that affects eligibility within ten days of the date the change occurs.  
 5.21 This provision shall not apply to households receiving food benefits under the Minnesota  
 5.22 family investment program waiver.

5.23 Sec. 10. Minnesota Statutes 2016, section 256J.26, subdivision 3, is amended to read:

5.24 Subd. 3. **Fleeing felons offenders.** An individual who is fleeing to avoid prosecution,  
 5.25 or custody, or confinement after conviction for a crime ~~that is a felony~~ under the laws of  
 5.26 the jurisdiction from which the individual flees, ~~or in the case of New Jersey, is a high~~  
 5.27 ~~misdemeanor~~, is disqualified from receiving MFIP.

6.1 Sec. 11. **[256J.265] DRUG TESTING INFORMATION FROM PROBATION**  
6.2 **OFFICERS.**

6.3 The local probation agency shall provide on a weekly basis to the local social services  
6.4 agency, specifically the welfare fraud division, a list of probationers who tested positive  
6.5 for an illegal controlled substance, for purposes of section 256J.26.

6.6 Sec. 12. **FEDERAL WAIVER.**

6.7 The commissioner of human services shall seek all necessary federal waivers to  
6.8 implement the reinstatement of asset limits for families with children and single adults  
6.9 without children, and the removal of the self-attestation when establishing eligibility for  
6.10 medical assistance.