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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. **2062**

02/01/2012 Authored by Banaian, Huntley, Murphy, E., Lanning, Abeler and others  
The bill was read for the first time and referred to the Committee on Health and Human Services Finance

1.1 A bill for an act  
1.2 relating to human services; modifying the family assets for independence  
1.3 program; appropriating money; amending Minnesota Statutes 2011 Supplement,  
1.4 section 256E.35, subdivisions 5, 6.

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

1.6 Section 1. Minnesota Statutes 2011 Supplement, section 256E.35, subdivision 5, is  
1.7 amended to read:

1.8 Subd. 5. **Household eligibility; participation.** (a) To be eligible for state or TANF  
1.9 matching funds in the family assets for independence initiative, a household must meet the  
1.10 eligibility requirements of the federal Assets for Independence Act, Public Law 105-285,  
1.11 in Title IV, section 408 of that act.

1.12 (b) Each participating household must sign a family asset agreement that includes  
1.13 the amount of scheduled deposits into its savings account, the proposed use, and the  
1.14 proposed savings goal. A participating household must agree to complete an economic  
1.15 literacy training program.

1.16 Participating households may only deposit money that is derived from household  
1.17 earned income or from state and federal income tax credits.

1.18 Sec. 2. Minnesota Statutes 2011 Supplement, section 256E.35, subdivision 6, is  
1.19 amended to read:

1.20 Subd. 6. **Withdrawal; matching; permissible uses.** (a) To receive a match, a  
1.21 participating household must transfer funds withdrawn from a family asset account to its  
1.22 matching fund custodial account held by the fiscal agent, according to the family asset

2.1 agreement. The fiscal agent must determine if the match request is for a permissible use  
2.2 consistent with the household's family asset agreement.

2.3 The fiscal agent must ensure the household's custodial account contains the  
2.4 applicable matching funds to match the balance in the household's account, including  
2.5 interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches  
2.6 must be provided as follows:

2.7 (1) from state grant and TANF funds, a matching contribution of \$1.50 for every  
2.8 \$1 of funds withdrawn from the family asset account equal to the lesser of \$720 per  
2.9 year or a \$3,000 lifetime limit; and

2.10 (2) from nonstate funds, a matching contribution of no less than \$1.50 for every \$1  
2.11 of funds withdrawn from the family asset account equal to the lesser of \$720 per year or  
2.12 a \$3,000 lifetime limit.

2.13 (b) Upon receipt of transferred custodial account funds, the fiscal agent must make a  
2.14 direct payment to the vendor of the goods or services for the permissible use.

2.15 Sec. 3. **APPROPRIATION.**

2.16 \$500,000 is appropriated in fiscal year 2013 from the general fund to the  
2.17 commissioner of human services for purposes of the family assets for independence  
2.18 program under Minnesota Statutes, section 256E.35.