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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4569

03/23/2022

Authored by Pinto

The bill was read for the first time and referred to the Committee on Early Childhood Finance and Policy

1.1 A bill for an act

1.2 relating to human services; modifying provisions governing child care assistance;

1.3 making forecast adjustments; requiring reports; transferring money; making

1.4 technical and conforming changes; allocating funds for a specific purpose;

1.5 establishing certain grants; appropriating money; amending Minnesota Statutes

1.6 2020, sections 119B.011, subdivisions 2, 5, 13, 19b; 119B.02, subdivisions 1, 2;

1.7 119B.03, subdivisions 3, 9, 10; 119B.035, subdivisions 1, 2, 4, 5; 119B.08,

1.8 subdivision 3; 119B.11, subdivision 1; 119B.15; 119B.19, subdivision 7; 119B.24;

1.9 256.017, subdivision 9; Minnesota Statutes 2021 Supplement, section 119B.13,

1.10 subdivision 1; Laws 2021, First Special Session chapter 7, article 16, sections 2,

1.11 subdivisions 29, 31, 33; 28; article 17, sections 3; 6; 10; 11; 12; 17, subdivision

1.12 3; proposing coding for new law in Minnesota Statutes, chapter 119B; repealing

1.13 Minnesota Statutes 2020, section 119B.03, subdivisions 1, 2, 4, 5, 6a, 6b, 8;

1.14 Minnesota Statutes 2021 Supplement, section 119B.03, subdivisions 4a, 6.

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

1.16 ARTICLE 1

1.17 CHILD CARE

1.18 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 2, is amended to read:

1.19 Subd. 2. **Applicant.** "Child care fund applicants" means all parents; stepparents; legal

1.20 guardians, ~~or~~; eligible relative caregivers ~~who are~~; relative custodians who accepted a transfer

1.21 of permanent legal and physical custody of a child under section 260C.515, subdivision 4,

1.22 or similar permanency disposition in Tribal code; successor custodians or guardians as

1.23 established by section 256N.22, subdivision 10; or foster parents providing care to a child

1.24 placed in a family foster home under section 260C.007, subdivision 16b. Applicants must

1.25 be members of the family and reside in the household that applies for child care assistance

1.26 under the child care fund.

1.27 **EFFECTIVE DATE.** This section is effective August 7, 2023.

2.1 Sec. 2. Minnesota Statutes 2020, section 119B.011, subdivision 5, is amended to read:

2.2 Subd. 5. **Child care.** "Child care" means the care of a child by someone other than a
 2.3 parent; ~~stepparent;~~ legal guardian; eligible relative caregiver; relative custodian who
 2.4 accepted a transfer of permanent legal and physical custody of a child under section
 2.5 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor
 2.6 custodian or guardian as established according to section 256N.22, subdivision 10; foster
 2.7 parent providing care to a child placed in a family foster home under section 260C.007,
 2.8 subdivision 16b; or the spouses spouse of any of the foregoing in or outside the child's own
 2.9 home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

2.10 **EFFECTIVE DATE.** This section is effective August 7, 2023.

2.11 Sec. 3. Minnesota Statutes 2020, section 119B.011, subdivision 13, is amended to read:

2.12 Subd. 13. **Family.** "Family" means parents; ~~stepparents;~~ guardians and their spouses;
 2.13 ~~or;~~ other eligible relative caregivers and their spouses; relative custodians who accepted a
 2.14 transfer of permanent legal and physical custody of a child under section 260C.515,
 2.15 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor
 2.16 custodians or guardians as established according to section 256N.22, subdivision 10, and
 2.17 their spouses; or foster parents providing care to a child placed in a family foster home
 2.18 under section 260C.007, subdivision 16b, and their spouses; and ~~their blood-related~~ the
 2.19 blood-related dependent children and adoptive siblings under the age of 18 years living in
 2.20 the same home ~~including~~ including of the above. This definition includes children temporarily absent
 2.21 from the household in settings such as schools, foster care, and residential treatment facilities
 2.22 ~~or parents, stepparents, guardians and their spouses, or other relative caregivers and their~~
 2.23 ~~spouses~~ and adults temporarily absent from the household in settings such as schools, military
 2.24 service, or rehabilitation programs. An adult family member who is not in an authorized
 2.25 activity under this chapter may be temporarily absent for up to 60 days. When a minor
 2.26 parent or parents and his, her, or their child or children are living with other relatives, and
 2.27 the minor parent or parents apply for a child care subsidy, "family" means only the minor
 2.28 parent or parents and their child or children. An adult age 18 or older who meets this
 2.29 definition of family and is a full-time high school or postsecondary student may be considered
 2.30 a dependent member of the family unit if 50 percent or more of the adult's support is provided
 2.31 by the parents; ~~stepparents;~~ guardians; and their spouses; relative custodians who accepted
 2.32 a transfer of permanent legal and physical custody of a child under section 260C.515,
 2.33 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor
 2.34 custodians or guardians as established according to section 256N.22, subdivision 10, and

3.1 their spouses; foster parents providing care to a child placed in a family foster home under
 3.2 section 260C.007, subdivision 16b, and their spouses; or eligible relative caregivers and
 3.3 their spouses residing in the same household.

3.4 **EFFECTIVE DATE.** This section is effective August 7, 2023.

3.5 Sec. 4. Minnesota Statutes 2020, section 119B.011, subdivision 19b, is amended to read:

3.6 Subd. 19b. **Student parent.** "Student parent" means a person who is:

3.7 (1) under 21 years of age and has a child;

3.8 (2) pursuing a high school diploma or commissioner of education-selected high school
 3.9 equivalency certification; and

3.10 ~~(3) residing within a county that has a basic sliding fee waiting list under section 119B.03,~~
 3.11 ~~subdivision 4; and~~

3.12 ~~(4)~~ (3) not an MFIP participant.

3.13 **EFFECTIVE DATE.** This section is effective July 10, 2023.

3.14 Sec. 5. Minnesota Statutes 2020, section 119B.02, subdivision 1, is amended to read:

3.15 Subdivision 1. **Child care services.** The commissioner shall develop standards for county
 3.16 and human services boards to provide child care services to enable eligible families to
 3.17 participate in employment, training, or education programs. ~~Within the limits of available~~
 3.18 ~~appropriations,~~ The commissioner shall distribute money to counties to reduce the costs of
 3.19 child care for eligible families. The commissioner shall adopt rules to govern the program
 3.20 in accordance with this section. The rules must establish a sliding schedule of fees for parents
 3.21 receiving child care services. The rules shall provide that funds received as a lump-sum
 3.22 payment of child support arrearages shall not be counted as income to a family in the month
 3.23 received but shall be prorated over the 12 months following receipt and added to the family
 3.24 income during those months. The commissioner shall maximize the use of federal money
 3.25 under title I and title IV of Public Law 104-193, the Personal Responsibility and Work
 3.26 Opportunity Reconciliation Act of 1996, and other programs that provide federal or state
 3.27 reimbursement for child care services for low-income families who are in education, training,
 3.28 job search, or other activities allowed under those programs. Money appropriated under
 3.29 this section must be coordinated with the programs that provide federal reimbursement for
 3.30 child care services to accomplish this purpose. ~~Federal reimbursement obtained must be~~
 3.31 ~~allocated to the county that spent money for child care that is federally reimbursable under~~
 3.32 ~~programs that provide federal reimbursement for child care services.~~ The counties

4.1 commissioner shall use the federal money to expand child care services. The commissioner
 4.2 may adopt rules under chapter 14 to implement and coordinate federal program requirements.

4.3 **EFFECTIVE DATE.** This section is effective July 10, 2023.

4.4 Sec. 6. Minnesota Statutes 2020, section 119B.02, subdivision 2, is amended to read:

4.5 Subd. 2. **Contractual agreements with Tribes.** The commissioner may enter into
 4.6 contractual agreements with a federally recognized Indian Tribe with a reservation in
 4.7 Minnesota to carry out the responsibilities of county human service agencies to the extent
 4.8 necessary for the Tribe to operate child care assistance programs ~~under sections 119B.03~~
 4.9 ~~and 119B.05~~ for families eligible under this chapter. An agreement may allow the state to
 4.10 make payments for child care assistance services provided under ~~section 119B.05~~ this
 4.11 chapter. The commissioner shall consult with the affected county or counties in the
 4.12 contractual agreement negotiations, if the county or counties wish to be included, in order
 4.13 to avoid the duplication of county and Tribal child care services. ~~Funding to support services~~
 4.14 ~~under section 119B.03 may be transferred to the federally recognized Indian tribe with a~~
 4.15 ~~reservation in Minnesota from allocations available to counties in which reservation~~
 4.16 ~~boundaries lie. When funding is transferred under section 119B.03, the amount shall be~~
 4.17 ~~commensurate to estimates of the proportion of reservation residents with characteristics~~
 4.18 ~~identified in section 119B.03, subdivision 6, to the total population of county residents with~~
 4.19 ~~those same characteristics.~~

4.20 **EFFECTIVE DATE.** This section is effective July 10, 2023.

4.21 Sec. 7. Minnesota Statutes 2020, section 119B.03, subdivision 3, is amended to read:

4.22 Subd. 3. **Eligible participants.** Families that meet the eligibility requirements under
 4.23 sections 119B.09 and 119B.10, ~~except MFIP participants, diversionary work program, and~~
 4.24 ~~transition year families~~ are eligible for child care assistance under the basic sliding fee child
 4.25 care assistance program. ~~Families enrolled in the basic sliding fee program shall be continued~~
 4.26 ~~until they are no longer eligible.~~ Child care assistance provided through the child care fund
 4.27 is considered assistance to the parent.

4.28 **EFFECTIVE DATE.** This section is effective July 10, 2023.

4.29 Sec. 8. Minnesota Statutes 2020, section 119B.03, subdivision 9, is amended to read:

4.30 Subd. 9. **Portability pool Family move; continued participation.** (a) ~~The commissioner~~
 4.31 ~~shall establish a pool of up to five percent of the annual appropriation for the basic sliding~~
 4.32 ~~fee program to provide continuous child care assistance for eligible families who move~~

5.1 ~~between Minnesota counties. At the end of each allocation period, any unspent funds in the~~
 5.2 ~~portability pool must be used for assistance under the basic sliding fee program. If~~
 5.3 ~~expenditures from the portability pool exceed the amount of money available, the reallocation~~
 5.4 ~~pool must be reduced to cover these shortages.~~

5.5 ~~(b) A family that has moved from a county in which it~~ A family receiving child care
 5.6 assistance under the child care fund that has moved from a county where the family was
 5.7 receiving basic sliding fee child care assistance to a another Minnesota county with a waiting
 5.8 list for the basic sliding fee program must be admitted into the new county's child care
 5.9 assistance program if the family:

5.10 (1) ~~meet~~ meets the income and eligibility guidelines for the ~~basic sliding fee child care~~
 5.11 assistance program; and

5.12 (2) ~~notify~~ notifies the family's previous county of residence of the family's move to a
 5.13 new county of residence.

5.14 ~~(e)~~ (b) The receiving county must:

5.15 ~~(1) accept administrative responsibility for applicants for portable basic sliding fee~~
 5.16 ~~assistance~~ a child care program-eligible family that has moved into the county at the end
 5.17 of the two months of assistance under the Unitary Residency Act;

5.18 ~~(2) continue portability pool basic sliding fee assistance until the family is able to receive~~
 5.19 ~~assistance under the county's regular basic sliding program; and~~

5.20 ~~(3) notify the commissioner through the quarterly reporting process of any family that~~
 5.21 ~~meets the criteria of the portable basic sliding fee assistance pool.~~

5.22 **EFFECTIVE DATE.** This section is effective July 10, 2023.

5.23 Sec. 9. Minnesota Statutes 2020, section 119B.03, subdivision 10, is amended to read:

5.24 Subd. 10. **Application; entry points.** Two or more methods of applying for the ~~basic~~
 5.25 ~~sliding fee child care assistance program under this chapter~~ must be available to applicants
 5.26 in each county. To meet the requirements of this subdivision, a county may provide
 5.27 alternative methods of applying for assistance, including, but not limited to, a mail
 5.28 application, or application sites that are located outside of government offices.

5.29 **EFFECTIVE DATE.** This section is effective July 10, 2023.

6.1 Sec. 10. Minnesota Statutes 2020, section 119B.035, subdivision 1, is amended to read:

6.2 Subdivision 1. **Establishment.** A family in which a parent provides care for the family's
 6.3 infant child may receive a subsidy in lieu of assistance if the family is eligible for or is
 6.4 receiving assistance under the ~~basic sliding fee~~ child care assistance program. An eligible
 6.5 family must meet the eligibility factors under section 119B.09, except as provided in
 6.6 subdivision 4, and the requirements of this section. Subject to federal match and maintenance
 6.7 of effort requirements for the child care and development fund, and up to available
 6.8 appropriations, the commissioner shall provide assistance under the at-home infant child
 6.9 care program and for administrative costs associated with the program. At the end of a fiscal
 6.10 year, the commissioner may carry forward any unspent funds under this section to the next
 6.11 fiscal year within the same biennium for assistance under the ~~basic sliding fee~~ child care
 6.12 assistance program.

6.13 **EFFECTIVE DATE.** This section is effective July 10, 2023.

6.14 Sec. 11. Minnesota Statutes 2020, section 119B.035, subdivision 2, is amended to read:

6.15 Subd. 2. **Eligible families.** A family with an infant under the age of one year is eligible
 6.16 for assistance if:

6.17 (1) the family is not receiving MFIP, other cash assistance, or other child care assistance;

6.18 (2) the family has not previously received a lifelong total of 12 months of assistance
 6.19 under this section; and

6.20 (3) the family is participating in the ~~basic sliding fee~~ child care assistance program or
 6.21 provides verification of participating in an authorized activity at the time of application and
 6.22 meets the program requirements.

6.23 **EFFECTIVE DATE.** This section is effective July 10, 2023.

6.24 Sec. 12. Minnesota Statutes 2020, section 119B.035, subdivision 4, is amended to read:

6.25 Subd. 4. **Assistance.** (a) A family is limited to a lifetime total of 12 months of assistance
 6.26 under subdivision 2. The maximum rate of assistance is equal to 68 percent of the rate
 6.27 established under section 119B.13 for care of infants in licensed family child care in the
 6.28 applicant's county of residence.

6.29 (b) A participating family must report income and other family changes as specified in
 6.30 sections 256P.06 and 256P.07, and the county's plan under section 119B.08, subdivision 3.

7.1 ~~(e) Persons who are admitted to the at-home infant child care program retain their position~~
 7.2 ~~in any basic sliding fee program. Persons leaving the at-home infant child care program~~
 7.3 ~~reenter the basic sliding fee program at the position they would have occupied.~~

7.4 ~~(d)~~ (c) Assistance under this section does not establish an employer-employee relationship
 7.5 between any member of the assisted family and the county or state.

7.6 **EFFECTIVE DATE.** This section is effective July 10, 2023.

7.7 Sec. 13. Minnesota Statutes 2020, section 119B.035, subdivision 5, is amended to read:

7.8 Subd. 5. **Implementation.** The commissioner shall implement the at-home infant child
 7.9 care program under this section through counties that administer the ~~basic sliding fee child~~
 7.10 ~~care assistance~~ program under section 119B.03 this chapter. The commissioner must develop
 7.11 and distribute consumer information on the at-home infant child care program to assist
 7.12 parents of infants or expectant parents in making informed child care decisions.

7.13 **EFFECTIVE DATE.** This section is effective July 10, 2023.

7.14 Sec. 14. Minnesota Statutes 2020, section 119B.08, subdivision 3, is amended to read:

7.15 Subd. 3. **Child care fund plan.** The county and designated administering agency shall
 7.16 submit a biennial child care fund plan to the commissioner. The commissioner shall establish
 7.17 the dates by which the county must submit the plans. The plan shall include:

7.18 (1) a description of strategies to coordinate and maximize public and private community
 7.19 resources, including school districts, health care facilities, government agencies,
 7.20 neighborhood organizations, and other resources knowledgeable in early childhood
 7.21 development, in particular to coordinate child care assistance with existing community-based
 7.22 programs and service providers including child care resource and referral programs, early
 7.23 childhood family education, school readiness, Head Start, local interagency early intervention
 7.24 committees, special education services, early childhood screening, and other early childhood
 7.25 care and education services and programs to the extent possible, to foster collaboration
 7.26 among agencies and other community-based programs that provide flexible, family-focused
 7.27 services to families with young children and to facilitate transition into kindergarten. The
 7.28 county must describe a method by which to share information, responsibility, and
 7.29 accountability among service and program providers;

7.30 (2) a description of procedures and methods to be used to make copies of the proposed
 7.31 state plan reasonably available to the public, including members of the public particularly
 7.32 interested in child care policies such as parents, child care providers, culturally specific

8.1 service organizations, child care resource and referral programs, interagency early
 8.2 intervention committees, potential collaborative partners and agencies involved in the
 8.3 provision of care and education to young children, and allowing sufficient time for public
 8.4 review and comment; and

8.5 (3) information as requested by the department to ensure compliance with the child care
 8.6 fund statutes and rules promulgated by the commissioner.

8.7 The commissioner shall notify counties within 90 days of the date the plan is submitted
 8.8 whether the plan is approved or the corrections or information needed to approve the plan.
 8.9 The commissioner shall withhold a county's allocation until it has an approved plan. Plans
 8.10 ~~not approved by the end of the second quarter after the plan is due may result in a 25 percent~~
 8.11 ~~reduction in allocation. Plans not approved by the end of the third quarter after the plan is~~
 8.12 ~~due may result in a 100 percent reduction in the allocation to the county~~ payments to a
 8.13 county until it has an approved plan. Counties are to maintain services despite any ~~reduction~~
 8.14 ~~in their allocation~~ withholding of payments due to plans not being approved.

8.15 **EFFECTIVE DATE.** This section is effective July 10, 2023.

8.16 Sec. 15. Minnesota Statutes 2020, section 119B.11, subdivision 1, is amended to read:

8.17 Subdivision 1. **County contributions required.** (a) In addition to payments from ~~basic~~
 8.18 ~~sliding fee~~ child care assistance program participants, each county shall contribute from
 8.19 county tax or other sources a fixed local match equal to its calendar year 1996 required
 8.20 county contribution reduced by the administrative funding loss that would have occurred
 8.21 in state fiscal year 1996 under section 119B.15. The commissioner shall recover funds from
 8.22 the county as necessary to bring county expenditures into compliance with this subdivision.
 8.23 The commissioner may accept county contributions, including contributions above the fixed
 8.24 local match, in order to make state payments.

8.25 (b) The commissioner may accept payments from counties to:

8.26 (1) fulfill the county contribution as required under subdivision 1;

8.27 (2) pay for services authorized under this chapter beyond those paid for with federal or
 8.28 state funds or with the required county contributions; or

8.29 (3) pay for child care services in addition to those authorized under this chapter, as
 8.30 authorized under other federal, state, or local statutes or regulations.

8.31 (c) The county payments must be deposited in an account in the special revenue fund.
 8.32 Money in this account is appropriated to the commissioner for child care assistance under

9.1 this chapter and other applicable statutes and regulations and is in addition to other state
9.2 and federal appropriations.

9.3 **EFFECTIVE DATE.** This section is effective July 10, 2023.

9.4 Sec. 16. Minnesota Statutes 2021 Supplement, section 119B.13, subdivision 1, is amended
9.5 to read:

9.6 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~November 15, 2021~~ October 3, 2022,
9.7 the maximum rate paid for child care assistance in any county or county price cluster under
9.8 the child care fund shall be:

9.9 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2021 child~~
9.10 ~~care provider rate survey or and the rates in effect at the time of the update; and.~~

9.11 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~
9.12 ~~2021 child care provider rate survey or the rates in effect at the time of the update.~~

9.13 (b) Beginning the first full service period on or after January 1, 2025, and every three
9.14 years thereafter, the maximum rate paid for child care assistance in a county or county price
9.15 cluster under the child care fund shall be:

9.16 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2024 most~~
9.17 ~~recent child care provider rate survey or and the rates in effect at the time of the update;~~
9.18 ~~and.~~

9.19 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~
9.20 ~~2024 child care provider rate survey or the rates in effect at the time of the update.~~

9.21 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

9.22 (c) For a child care provider located within the boundaries of a city located in two or
9.23 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child
9.24 care assistance shall be equal to the maximum rate paid in the county with the highest
9.25 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner
9.26 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)
9.27 consider county level access when determining final price clusters.

9.28 (d) A rate which includes a special needs rate paid under subdivision 3 may be in excess
9.29 of the maximum rate allowed under this subdivision.

9.30 (e) The department shall monitor the effect of this paragraph on provider rates. The
9.31 county shall pay the provider's full charges for every child in care up to the maximum

10.1 established. The commissioner shall determine the maximum rate for each type of care on
 10.2 an hourly, full-day, and weekly basis, including special needs and disability care.

10.3 (f) If a child uses one provider, the maximum payment for one day of care must not
 10.4 exceed the daily rate. The maximum payment for one week of care must not exceed the
 10.5 weekly rate.

10.6 (g) If a child uses two providers under section 119B.097, the maximum payment must
 10.7 not exceed:

10.8 (1) the daily rate for one day of care;

10.9 (2) the weekly rate for one week of care by the child's primary provider; and

10.10 (3) two daily rates during two weeks of care by a child's secondary provider.

10.11 (h) Child care providers receiving reimbursement under this chapter must not be paid
 10.12 activity fees or an additional amount above the maximum rates for care provided during
 10.13 nonstandard hours for families receiving assistance.

10.14 (i) If the provider charge is greater than the maximum provider rate allowed, the parent
 10.15 is responsible for payment of the difference in the rates in addition to any family co-payment
 10.16 fee.

10.17 (j) Beginning October 3, 2022, the maximum registration fee paid for child care assistance
 10.18 in any county or county price cluster under the child care fund shall be ~~set as follows: (1)~~
 10.19 ~~beginning November 15, 2021~~, the greater of the ~~40th~~ 75th percentile of the ~~2021~~ most
 10.20 recent child care provider rate survey ~~or~~ and the registration fee in effect at the time of the
 10.21 update; ~~and (2) beginning the first full service period on or after January 1, 2025, the~~
 10.22 ~~maximum registration fee shall be the greater of the 40th percentile of the 2024 child care~~
 10.23 ~~provider rate survey or the registration fee in effect at the time of the update. The registration~~
 10.24 ~~fees under clause (1) continue until the registration fees under clause (2) go into effect.~~

10.25 (k) Maximum registration fees must be set for licensed family child care and for child
 10.26 care centers. For a child care provider located in the boundaries of a city located in two or
 10.27 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid
 10.28 for child care assistance shall be equal to the maximum registration fee paid in the county
 10.29 with the highest maximum registration fee or the provider's charge, whichever is less.

11.1 Sec. 17. Minnesota Statutes 2020, section 119B.15, is amended to read:

11.2 **119B.15 ADMINISTRATIVE EXPENSES.**

11.3 The commissioner shall use up to 1/21 of the state and federal funds available for the
 11.4 ~~basic sliding fee program and 1/21 of the state and federal funds available for the MFIP~~
 11.5 child care assistance program for payments to counties for administrative expenses. The
 11.6 commissioner shall make monthly payments to each county based on direct service
 11.7 expenditures. Payments may be withheld if monthly reports are incomplete or untimely.

11.8 **EFFECTIVE DATE.** This section is effective July 10, 2023.

11.9 Sec. 18. Minnesota Statutes 2020, section 119B.19, subdivision 7, is amended to read:

11.10 Subd. 7. **Child care resource and referral programs.** Within each region, a child care
 11.11 resource and referral program must:

11.12 (1) maintain one database of all existing child care resources and services and one
 11.13 database of family referrals;

11.14 (2) provide a child care referral service for families;

11.15 (3) develop resources to meet the child care service needs of families;

11.16 (4) increase the capacity to provide culturally responsive child care services;

11.17 (5) coordinate professional development opportunities for child care and school-age
 11.18 care providers;

11.19 (6) administer and award child care services grants;

11.20 (7) cooperate with the Minnesota Child Care Resource and Referral Network and its
 11.21 member programs to develop effective child care services and child care resources; ~~and~~

11.22 (8) assist in fostering coordination, collaboration, and planning among child care programs
 11.23 and community programs such as school readiness, Head Start, early childhood family
 11.24 education, local interagency early intervention committees, early childhood screening,
 11.25 special education services, and other early childhood care and education services and
 11.26 programs that provide flexible, family-focused services to families with young children to
 11.27 the extent possible;

11.28 (9) administer the child care one-stop regional assistance network to assist child care
 11.29 providers and individuals interested in becoming child care providers with establishing and
 11.30 sustaining a licensed family child care or group family child care program or a child care
 11.31 center; and

12.1 (10) provide supports that enable economically challenged individuals to obtain the job
 12.2 skills training, career counseling, and job placement assistance necessary to begin a career
 12.3 path in child care.

12.4 Sec. 19. Minnesota Statutes 2020, section 119B.24, is amended to read:

12.5 **119B.24 DUTIES OF COMMISSIONER.**

12.6 In addition to the powers and duties already conferred by law, the commissioner of
 12.7 human services shall:

12.8 (1) administer the child care fund, ~~including the basic sliding fee program~~ authorized
 12.9 under sections 119B.011 to 119B.16;

12.10 (2) monitor the child care resource and referral programs established under section
 12.11 119B.19; and

12.12 (3) encourage child care providers to participate in a nationally recognized accreditation
 12.13 system for early childhood and school-age care programs. Subject to approval by the
 12.14 commissioner, family child care providers and early childhood and school-age care programs
 12.15 shall be reimbursed for one-half of the direct cost of accreditation fees, upon successful
 12.16 completion of accreditation.

12.17 **EFFECTIVE DATE.** This section is effective July 10, 2023.

12.18 Sec. 20. **[119B.27] SHARED SERVICES GRANTS.**

12.19 The commissioner of human services shall establish a grant program to enable family
 12.20 child care providers to implement shared services alliances.

12.21 **EFFECTIVE DATE.** This section is effective July 1, 2023.

12.22 Sec. 21. **[119B.28] CHILD CARE PROVIDER ACCESS TO TECHNOLOGY**
 12.23 **GRANTS.**

12.24 The commissioner of human services shall distribute money provided by this section
 12.25 through grants to one or more organizations to offer grants or other supports to child care
 12.26 providers to improve their access to computers, the Internet, subscriptions to online child
 12.27 care management applications, and other technologies intended to improve their business
 12.28 practices. Up to ten percent of the grant funds may be used for administration of this program.

13.1 Sec. 22. Minnesota Statutes 2020, section 256.017, subdivision 9, is amended to read:

13.2 Subd. 9. **Timing and disposition of penalty and case disallowance funds.** Quality
 13.3 control case penalty and administrative penalty amounts shall be disallowed or withheld
 13.4 from the next regular reimbursement made to the county agency for state and federal benefit
 13.5 reimbursements and federal administrative reimbursements for all programs covered in this
 13.6 section, according to procedures established in statute, but shall not be imposed sooner than
 13.7 30 calendar days from the date of written notice of such penalties. ~~Except for penalties~~
 13.8 ~~withheld under the child care assistance program,~~ All penalties must be deposited in the
 13.9 county incentive fund provided in section 256.018. ~~Penalties withheld under the child care~~
 13.10 ~~assistance program shall be reallocated to counties using the allocation formula under section~~
 13.11 ~~119B.03, subdivision 5.~~ All penalties must be imposed according to this provision until a
 13.12 decision is made regarding the status of a written exception. Penalties must be returned to
 13.13 county agencies when a review of a written exception results in a decision in their favor.

13.14 Sec. 23. **DIRECTION TO COMMISSIONER; ALLOCATING BASIC SLIDING**
 13.15 **FEE FUNDS.**

13.16 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the
 13.17 commissioner of human services must allocate additional basic sliding fee child care money
 13.18 for calendar year 2024 to counties and Tribes to account for the change in the definition of
 13.19 family in sections 1 to 3. In allocating the additional money, the commissioner shall consider:

13.20 (1) the number of children in the county or Tribe who receive care from a relative
 13.21 custodian who accepted a transfer of permanent legal and physical custody of a child under
 13.22 section 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor
 13.23 custodian or guardian as established according to section 256N.22, subdivision 10; or foster
 13.24 parents in a family foster home under section 260C.007, subdivision 16b; and

13.25 (2) the average basic sliding fee cost of care in the county or Tribe.

13.26 Sec. 24. **DIRECTION TO COMMISSIONER OF MANAGEMENT AND BUDGET.**

13.27 The state obligation for the child care assistance program under Minnesota Statutes,
 13.28 chapter 119B, must be included in the Department of Management and Budget February
 13.29 and November forecast of state revenues and expenditures under Minnesota Statutes, section
 13.30 16A.103, beginning with the February 2023 forecast.

14.1 **Sec. 25. INCREASE FOR MAXIMUM RATES.**

14.2 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the
 14.3 commissioner of human services shall allocate the additional basic sliding fee child care
 14.4 funds for calendar year 2023 to counties for updated maximum rates based on relative need
 14.5 to cover maximum rate increases. In distributing the additional funds, the commissioner
 14.6 shall consider the following factors by county:

14.7 (1) number of children covered by the county;

14.8 (2) provider types that care for covered children;

14.9 (3) age of covered children; and

14.10 (4) amount of the increase in maximum rates.

14.11 **Sec. 26. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; CHILD**
 14.12 **CARE AND DEVELOPMENT FUND ALLOCATION.**

14.13 The commissioner of human services shall allocate \$75,364,000 in fiscal year 2023 from
 14.14 the child care and development fund for rate and registration fee increases under Minnesota
 14.15 Statutes, section 119B.13, subdivision 1, paragraphs (a) and (j). This is a onetime allocation.

14.16 **Sec. 27. REPEALER.**

14.17 (a) Minnesota Statutes 2020, section 119B.03, subdivisions 1, 2, 4, 5, 6a, 6b, and 8, are
 14.18 repealed.

14.19 (b) Minnesota Statutes 2021 Supplement, section 119B.03, subdivisions 4a and 6, are
 14.20 repealed.

14.21 **EFFECTIVE DATE.** This section is effective July 10, 2023.

14.22 **ARTICLE 2**

14.23 **FORECAST ADJUSTMENTS**

14.24 **Section 1. HUMAN SERVICES APPROPRIATION.**

14.25 The dollar amounts shown in the columns marked "Appropriations" are added to or, if
 14.26 shown in parentheses, are subtracted from the appropriations in Laws 2021, First Special
 14.27 Session chapter 7, article 16, from the general fund or any fund named to the Department
 14.28 of Human Services for the purposes specified in this article, to be available for the fiscal
 14.29 year indicated for each purpose. The figures "2022" and "2023" used in this article mean
 14.30 that the appropriations listed under them are available for the fiscal years ending June 30,

15.1 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year"
 15.2 is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

		<u>APPROPRIATIONS</u>	
		<u>Available for the Year</u>	
		<u>Ending June 30</u>	
		<u>2022</u>	<u>2023</u>
15.7	<u>Sec. 2. COMMISSIONER OF HUMAN</u>		
15.8	<u>SERVICES</u>		
15.9	<u>Subdivision 1. Total Appropriation</u>	<u>\$ (585,901,000)</u>	<u>\$ 182,791,000</u>
15.10	<u>Appropriations by Fund</u>		
15.11	<u>General Fund</u>	<u>(406,629,000)</u>	<u>185,395,000</u>
15.12	<u>Health Care Access</u>		
15.13	<u>Fund</u>	<u>(86,146,000)</u>	<u>(11,799,000)</u>
15.14	<u>Federal TANF</u>	<u>(93,126,000)</u>	<u>9,195,000</u>
15.15	<u>Subd. 2. Forecasted Programs</u>		
15.16	<u>(a) MFIP/DWP</u>		
15.17	<u>Appropriations by Fund</u>		
15.18	<u>General Fund</u>	<u>72,106,000</u>	<u>(14,397,000)</u>
15.19	<u>Federal TANF</u>	<u>(93,126,000)</u>	<u>9,195,000</u>
15.20	<u>(b) MFIP Child Care Assistance</u>	<u>(103,347,000)</u>	<u>(73,738,000)</u>
15.21	<u>(c) General Assistance</u>	<u>(4,175,000)</u>	<u>(1,488,000)</u>
15.22	<u>(d) Minnesota Supplemental Aid</u>	<u>318,000</u>	<u>1,613,000</u>
15.23	<u>(e) Housing Support</u>	<u>(1,994,000)</u>	<u>9,257,000</u>
15.24	<u>(f) Northstar Care for Children</u>	<u>(9,613,000)</u>	<u>(4,865,000)</u>
15.25	<u>(g) MinnesotaCare</u>	<u>(86,146,000)</u>	<u>(11,799,000)</u>
15.26	<u>These appropriations are from the health care</u>		
15.27	<u>access fund.</u>		
15.28	<u>(h) Medical Assistance</u>		
15.29	<u>Appropriations by Fund</u>		
15.30	<u>General Fund</u>	<u>(348,364,000)</u>	<u>292,880,000</u>
15.31	<u>Health Care Access</u>		
15.32	<u>Fund</u>	<u>-0-</u>	<u>-0-</u>
15.33	<u>(i) Alternative Care Program</u>	<u>-0-</u>	<u>-0-</u>

16.1	<u>(j) Behavioral Health Fund</u>	<u>(11,560,000)</u>	<u>(23,867,000)</u>
16.2	<u>Subd. 3. Technical Activities</u>	<u>-0-</u>	<u>-0-</u>

16.3 These appropriations are from the federal
 16.4 TANF fund.

16.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.6 **ARTICLE 3**

16.7 **APPROPRIATIONS**

16.8 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

16.9 The sums shown in the columns marked "Appropriations" are added to or, if shown in
 16.10 parentheses, subtracted from the appropriations in Laws 2021, First Special Session chapter
 16.11 7, article 16, to the agencies and for the purposes specified in this article. The appropriations
 16.12 are from the general fund or other named fund and are available for the fiscal years indicated
 16.13 for each purpose. The figures "2022" and "2023" used in this article mean that the addition
 16.14 to or subtraction from the appropriation listed under them is available for the fiscal year
 16.15 ending June 30, 2022, or June 30, 2023, respectively. Base adjustments mean the addition
 16.16 to or subtraction from the base level adjustment set in Laws 2021, First Special Session
 16.17 chapter 7, article 16. Supplemental appropriations and reductions to appropriations for the
 16.18 fiscal year ending June 30, 2022, are effective the day following final enactment unless a
 16.19 different effective date is explicit.

16.20 **APPROPRIATIONS**

16.21 **Available for the Year**

16.22 **Ending June 30**

16.23 **2022** **2023**

16.24 **Sec. 2. COMMISSIONER OF HUMAN**
 16.25 **SERVICES**

16.26	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>22,339,000</u>	<u>\$</u>	<u>481,929,000</u>
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16.27 **Appropriations by Fund**

16.28		<u>2022</u>	<u>2023</u>	
16.29	<u>General</u>	<u>20,403,000</u>	<u>419,583,000</u>	
16.30	<u>Health Care Access</u>	<u>1,963,000</u>	<u>61,788,000</u>	

17.1	<u>Federal TANF</u>	<u>-0-</u>	<u>7,000</u>
17.2	<u>Opiate Epidemic</u>		
17.3	<u>Response</u>	<u>-0-</u>	<u>551,000</u>

17.4 **Subd. 2. Central Office; Operations**

17.5 Appropriations by Fund

17.6	<u>General</u>	<u>403,000</u>	<u>95,527,000</u>
17.7	<u>Health Care Access</u>	<u>-0-</u>	<u>27,816,000</u>

17.8 **(a) Background Studies.** (1) \$1,779,000 in
 17.9 fiscal year 2023 is to provide a credit to
 17.10 providers who paid for emergency background
 17.11 studies in NETStudy 2.0. This is a onetime
 17.12 appropriation.

17.13 (2) \$1,851,000 in fiscal year 2023 is to fund
 17.14 the costs of reprocessing emergency studies
 17.15 conducted under interagency agreements. This
 17.16 is a onetime appropriation.

17.17 **(b) Supporting Drug Pricing Litigation**
 17.18 **Costs.** \$228,000 in fiscal year 2022 is for costs
 17.19 to comply with litigation requirements related
 17.20 to pharmaceutical drug price litigation. This
 17.21 is a onetime appropriation.

17.22 **(c) Base Level Adjustment.** The general fund
 17.23 base is increased \$12,829,000 in fiscal year
 17.24 2024 and \$10,227,000 in fiscal year 2025. The
 17.25 health care access fund base is increased
 17.26 \$17,810,000 in fiscal year 2024 and
 17.27 \$17,810,000 in fiscal year 2025.

17.28	<u>Subd. 3. Central Office; Children and Families</u>	<u>-0-</u>	<u>5,621,000</u>
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17.29 **Base Level Adjustment.** The general fund
 17.30 base is increased \$6,965,000 in fiscal year
 17.31 2024 and \$6,680,000 in fiscal year 2025.

17.32 **Subd. 4. Central Office; Health Care**

18.1	<u>Appropriations by Fund</u>		
18.2	<u>General</u>	<u>-0-</u>	<u>2,436,000</u>
18.3	<u>Health Care Access</u>	<u>-0-</u>	<u>4,298,000</u>

18.4 **(a) Interactive Voice Response and**
 18.5 **Improving Access for Applications and**
 18.6 **Forms.** \$1,350,000 in fiscal year 2023 is for
 18.7 the improvement of accessibility to Minnesota
 18.8 health care programs applications, forms, and
 18.9 other consumer support resources and services
 18.10 to enrollees with limited English proficiency.
 18.11 This is a onetime appropriation.

18.12 **(b) Community-Driven Improvements.**
 18.13 \$680,000 in fiscal year 2023 is for Minnesota
 18.14 health care program enrollee engagement
 18.15 activities.

18.16 **(c) Responding to COVID-19 in Minnesota**
 18.17 **Health Care Programs.** \$1,000,000 in fiscal
 18.18 year 2023 is for contract assistance relating to
 18.19 the resumption of eligibility and
 18.20 redetermination processes in Minnesota health
 18.21 care programs after the expiration of the
 18.22 federal public health emergency. Contracts
 18.23 entered into under this section are for
 18.24 emergency acquisition and are not subject to
 18.25 solicitation requirements under Minnesota
 18.26 Statutes, section 16C.10, subdivision 2. This
 18.27 is a onetime appropriation. Money is available
 18.28 until spent.

18.29 **(d) Base Level Adjustment.** The general fund
 18.30 base is increased \$1,666,000 in fiscal year
 18.31 2024 and \$1,651,000 in fiscal year 2025. The
 18.32 health care access fund base is increased
 18.33 \$4,087,000 in fiscal year 2024 and \$6,300,000
 18.34 in fiscal year 2025.

18.35 **Subd. 5. Central Office; Community Supports**

19.1	<u>Appropriations by Fund</u>		
19.2	<u>General</u>	<u>-0-</u>	<u>7,119,000</u>
19.3	<u>Opioid Epidemic</u>		
19.4	<u>Response</u>	<u>-0-</u>	<u>551,000</u>
19.5	<u>SEIU Healthcare Arbitration Award.</u>		
19.6	<u>\$5,444 in fiscal year 2023 is for arbitration</u>		
19.7	<u>awards resulting from a SEIU grievance. This</u>		
19.8	<u>is a onetime appropriation.</u>		
19.9	<u>Base Level Adjustment.</u> The general fund		
19.10	<u>base is increased \$9,460,000 in fiscal year</u>		
19.11	<u>2024 and \$10,602,000 in fiscal year 2025.</u>		
19.12	<u>Subd. 6. Forecasted Programs; MFIP/DWP</u>		
19.13	<u>Appropriations by Fund</u>		
19.14	<u>General</u>	<u>-0-</u>	<u>5,000</u>
19.15	<u>Federal TANF</u>	<u>-0-</u>	<u>7,000</u>
19.16	<u>Subd. 7. Forecasted Programs; MFIP Child Care</u>		
19.17	<u>Assistance</u>	<u>-0-</u>	<u>1,000</u>
19.18	<u>Subd. 8. Forecasted Programs; Minnesota</u>		
19.19	<u>Supplemental Aid</u>	<u>-0-</u>	<u>1,000</u>
19.20	<u>Subd. 9. Forecasted Programs; Housing</u>		
19.21	<u>Supports</u>	<u>-0-</u>	<u>1,000</u>
19.22	<u>Subd. 10. Forecasted Programs; MinnesotaCare</u>		
19.23	<u>This appropriation is from the health care</u>		
19.24	<u>access fund.</u>		
19.25	<u>Subd. 11. Forecasted Programs; Medical</u>		
19.26	<u>Assistance</u>		
19.27	<u>Appropriations by Fund</u>		
19.28	<u>General</u>	<u>-0-</u>	<u>7,571,000</u>
19.29	<u>Health Care Access</u>	<u>-0-</u>	<u>14,353,000</u>

20.1	<u>Subd. 12. Forecasted Programs; Alternative</u>		
20.2	<u>Care</u>	<u>-0-</u>	<u>161,000</u>
20.3	<u>Subd. 13. Grant Programs; BSF Child Care</u>		
20.4	<u>Grants</u>	<u>-0-</u>	<u>(683,000)</u>
20.5	<u>Base Level Adjustment. The general fund</u>		
20.6	<u>base is increased \$240,477,000 in fiscal year</u>		
20.7	<u>2024 and \$546,025,000 in fiscal year 2025.</u>		
20.8	<u>Subd. 14. Grant Programs; Child Care</u>		
20.9	<u>Development Grants</u>	<u>-0-</u>	<u>31,703,000</u>
20.10	<u>(a) Child Care Provider Access to</u>		
20.11	<u>Technology Grants. \$300,000 in fiscal year</u>		
20.12	<u>2023 is for child care provider access to</u>		
20.13	<u>technology grants pursuant to Minnesota</u>		
20.14	<u>Statutes, section 119B.28.</u>		
20.15	<u>(b) One-Stop Regional Assistance Network.</u>		
20.16	<u>Beginning in fiscal year 2025, the base shall</u>		
20.17	<u>include \$1,200,000 from the general fund for</u>		
20.18	<u>a grant to the statewide child care resource</u>		
20.19	<u>and referral network to administer the child</u>		
20.20	<u>care one-stop shop regional assistance network</u>		
20.21	<u>in accordance with Minnesota Statutes, section</u>		
20.22	<u>119B.19, subdivision 7, clause (9).</u>		
20.23	<u>(c) Child Care Workforce Development</u>		
20.24	<u>Grants. Beginning in fiscal year 2025, the</u>		
20.25	<u>base shall include \$1,300,000 for a grant to</u>		
20.26	<u>the statewide child care resource and referral</u>		
20.27	<u>network to administer the child care workforce</u>		
20.28	<u>development grants in accordance with</u>		
20.29	<u>Minnesota Statutes, section 119B.19,</u>		
20.30	<u>subdivision 7, clause (10).</u>		
20.31	<u>(d) Shared Services Innovation Grants. The</u>		
20.32	<u>base shall include \$500,000 in fiscal year 2024</u>		
20.33	<u>and \$500,000 in fiscal year 2025 for shared</u>		
20.34	<u>services innovation grants pursuant to</u>		
20.35	<u>Minnesota Statutes, section 119B.27.</u>		

21.1 **(e) Stabilization Grants for Child Care**
 21.2 **Providers Experiencing Financial Hardship.**
 21.3 \$31,406,000 in fiscal year 2023 is for child
 21.4 care stabilization grants for child care
 21.5 programs in extreme financial hardship. This
 21.6 is a onetime appropriation. Money not
 21.7 distributed in fiscal year 2023 or 2024 shall
 21.8 be available until June 30, 2025. Use of grant
 21.9 money must be made in accordance with
 21.10 eligibility and compliance requirements
 21.11 established by the commissioner.

21.12 **(f) Base Level Adjustment.** The general fund
 21.13 base is increased \$66,824,000 in fiscal year
 21.14 2024 and \$3,300,000 in fiscal year 2025.

21.15	<u>Subd. 15. Grant Programs; Children's Services</u>		
21.16	<u>Grants</u>	-0-	<u>3,882,000</u>

21.17 **(a) American Indian Child Welfare**
 21.18 **Initiative; Mille Lacs Band of Ojibwe**
 21.19 **Planning.** \$1,263,000 in fiscal year 2023 is
 21.20 to support activities necessary for the Mille
 21.21 Lacs Band of Ojibwe to join the American
 21.22 Indian child welfare initiative.

21.23 **(b) Expand Parent Support Outreach**
 21.24 **Program.** The base shall include \$7,000,000
 21.25 in fiscal year 2024 and \$7,000,000 in fiscal
 21.26 year 2025 to expand the parent support
 21.27 outreach program to community-based
 21.28 agencies, public health agencies, and schools
 21.29 to prevent reporting of and entry into the child
 21.30 welfare system.

21.31 **(c) Thriving Families Safer Children.** The
 21.32 base shall include \$30,000 in fiscal year 2024
 21.33 to plan for an education attendance support
 21.34 diversionary program to prevent entry into the
 21.35 child welfare system. The commissioner shall

22.1 report back to the legislative committees that
22.2 oversee child welfare by January 1, 2025, on
22.3 the plan for this program. This is a onetime
22.4 appropriation.

22.5 **(d) Family Group Decision Making.** The
22.6 base shall include \$5,000,000 in fiscal year
22.7 2024 and \$5,000,000 in fiscal year 2025 to
22.8 expand the use of family group decision
22.9 making to provide opportunity for family
22.10 voices concerning critical decisions in child
22.11 safety and prevent entry into the child welfare
22.12 system.

22.13 **(e) Child Welfare Promising Practices.** The
22.14 base shall include \$5,000,000 in fiscal year
22.15 2024 and \$5,000,000 in fiscal year 2025 to
22.16 develop promising practices for prevention of
22.17 out-of-home placement of children and youth.

22.18 **(f) Family Assessment Response.** The base
22.19 shall include \$23,550,000 in fiscal year 2024
22.20 and \$23,550,000 in fiscal year 2025 to support
22.21 counties and Tribes that are members of the
22.22 American Indian child welfare initiative in
22.23 providing case management services and
22.24 support for families being served under family
22.25 assessment response, and prevent entry into
22.26 the child welfare system.

22.27 **(g) Extend Support for Youth Leaving**
22.28 **Foster Care.** \$600,000 in fiscal year 2023 is
22.29 to extend financial supports for young adults
22.30 aging out of foster care to age 22.

22.31 **(h) Grants to Counties for Child Protection**
22.32 **Staff.** \$1,000,000 in fiscal year 2023 is to
22.33 provide grants to counties and American
22.34 Indian child welfare initiative Tribes to be

23.1 used to reduce extended foster care caseload
23.2 sizes to ten cases per worker.

23.3 **(i) Statewide Pool of Qualified Individuals.**

23.4 \$1,177,400 in fiscal year 2023 is for grants to
23.5 one or more grantees to establish and manage
23.6 a pool of state-funded qualified individuals to
23.7 assess potential out-of-home placement of a
23.8 child in a qualified residential treatment
23.9 program. Up to \$200,000 of the grants each
23.10 fiscal year is available for grantee contracts to
23.11 manage the state-funded pool of qualified
23.12 individuals. This amount shall also pay for
23.13 qualified individual training, certification, and
23.14 background studies. Remaining grant money
23.15 shall be used until expended to provide
23.16 qualified individual services to counties and
23.17 Tribes that have joined the American Indian
23.18 child welfare initiative pursuant to Minnesota
23.19 Statutes, section 256.01, subdivision 14b, to
23.20 provide qualified residential treatment
23.21 program assessments at no cost to the county
23.22 or Tribal agency.

23.23 **(j) Base Level Adjustment.** The general fund
23.24 base is increased \$47,440,000 in fiscal year
23.25 2024 and \$44,769,000 in fiscal year 2025.

23.26 **Subd. 16. Grant Program; Refugee Services**
23.27 **Grants**

-0-

5,111,000

23.28 **(a) Refugee and Immigrant Services.**
23.29 \$5,111,000 in fiscal year 2023 is to extend the
23.30 refugee and immigrant COVID-19 care line
23.31 and expand eligibility for self-sufficiency and
23.32 community integration services provided by
23.33 community-based nonprofit resettlement
23.34 agencies to immigrants in Minnesota.

24.1 (b) Base Level Adjustment. The general fund
 24.2 base is \$5,111,000 in fiscal year 2024 and \$0
 24.3 in fiscal year 2025.

24.4	<u>Subd. 17. Grant Programs; Children and</u>		
24.5	<u>Community Service Grants</u>	-0-	-0-

24.6 Base Level Adjustment. The Opiate
 24.7 Epidemic Response Base is increased
 24.8 \$100,000 in fiscal year 2025.

24.9	<u>Subd. 18. Grant Programs; Children and</u>		
24.10	<u>Economic Support Grants</u>	-0-	89,099,000

24.11 (a) Family and Community Resource Hubs.
 24.12 \$2,550,000 in fiscal year 2023 is to implement
 24.13 a sustainable family and community resource
 24.14 hub model through the community action
 24.15 agencies under Minnesota Statutes, section
 24.16 256E.31, and federally recognized Tribes. The
 24.17 community resource hubs must offer
 24.18 navigation to several supports and services,
 24.19 including but not limited to basic needs and
 24.20 economic assistance, disability services,
 24.21 healthy development and screening,
 24.22 developmental and behavioral concerns,
 24.23 family well-being and mental health, early
 24.24 learning and child care, dental care, legal
 24.25 services, and culturally specific services for
 24.26 American Indian families.

24.27 (b) Tribal Food Sovereignty Infrastructure
 24.28 Grants. \$4,000,000 in fiscal year 2023 is for
 24.29 capital and infrastructure development to
 24.30 support food system changes and provide
 24.31 equitable access to existing and new methods
 24.32 of food support for American Indian
 24.33 communities, including federally recognized
 24.34 Tribes and American Indian nonprofit

25.1 organizations. This is a onetime appropriation
25.2 and is available until June 30, 2025.

25.3 **(c) Tribal Food Security.** \$2,836,000 in fiscal
25.4 year 2023 is to promote food security for
25.5 American Indian communities, including
25.6 federally recognized Tribes and American
25.7 Indian nonprofit organizations. This includes
25.8 hiring staff, providing culturally relevant
25.9 training for building food access, purchasing
25.10 technical assistance materials and supplies,
25.11 and planning for sustainable food systems.

25.12 **(d) Capital for Emergency Food**
25.13 **Distribution Facilities.** \$14,931,000 in fiscal
25.14 year 2023 is for improving and expanding the
25.15 infrastructure of food shelf facilities across
25.16 the state, including adding freezer or cooler
25.17 space and dry storage space, improving the
25.18 safety and sanitation of existing food shelves,
25.19 and addressing deferred maintenance or other
25.20 facility needs of existing food shelves. Grant
25.21 money shall be made available to nonprofit
25.22 organizations, federally recognized Tribes,
25.23 and local units of government. This is a
25.24 onetime appropriation and is available until
25.25 June 30, 2025.

25.26 **(e) Food Support Grants.** \$5,000,000 in
25.27 fiscal year 2023 is to provide additional
25.28 resources to a diverse food support network
25.29 that includes food shelves, food banks, and
25.30 meal and food outreach programs. Grant
25.31 money shall be made available to nonprofit
25.32 organizations, federally recognized Tribes,
25.33 and local units of government.

25.34 **(f) Emergency Services Grants.** \$54,782,000
25.35 in fiscal year 2023 is for emergency services

26.1 grants under Minnesota Statutes, section
 26.2 256E.36. This is a onetime appropriation and
 26.3 is available until June 30, 2024. Beginning in
 26.4 fiscal year 2024, the base for emergency
 26.5 services grants under Minnesota Statutes,
 26.6 section 256E.36, shall be increased by
 26.7 \$29,751,000.

26.8 **(g) Base Level Adjustment.** The general fund
 26.9 base is increased \$60,429,000 in fiscal year
 26.10 2024 and \$64,079,000 in fiscal year 2025.

	<u>Appropriations by Fund</u>	
	<u>2022</u>	<u>2023</u>
<u>General Fund</u>	<u>-0-</u>	<u>4,500,000</u>
<u>Health Care Access</u>	<u>1,936,000</u>	<u>64,000</u>

26.15 **Subd. 19. Grant Programs; Health Care Grants**

26.16 **(a) Grant Funding to Support Urban**
 26.17 **American Indians in Minnesota Health**
 26.18 **Care Programs.** \$2,500,000 in fiscal year
 26.19 2023 is for funding to the Indian Health Board
 26.20 of Minneapolis to support continued access to
 26.21 health care coverage through Minnesota health
 26.22 care programs, improve access to quality care,
 26.23 and increase vaccination rates among urban
 26.24 American Indians.

26.25 **(b) Grants for Navigator Organizations. (1)**
 26.26 \$1,936,000 in fiscal year 2023 is from the
 26.27 health care access fund for grants to
 26.28 organizations with a MNsure grant services
 26.29 navigator assister contract in good standing
 26.30 as of June 30, 2022. The grants to each
 26.31 organization must be in proportion to the
 26.32 number of medical assistance and
 26.33 MinnesotaCare enrollees each organization
 26.34 assisted that resulted in a successful
 26.35 enrollment in the second quarter of fiscal year

27.1 2020, as determined by MNsure's navigator
 27.2 payment process. This is a onetime
 27.3 appropriation. Money from this appropriation
 27.4 is available until spent. (2) \$2,000,000 in fiscal
 27.5 year 2023 is from the health care access fund
 27.6 for incentive payments as defined in
 27.7 Minnesota Statutes, section 256.962,
 27.8 subdivision 5. The general fund base for this
 27.9 appropriation is \$1,000,000 in fiscal year 2024
 27.10 and \$0 in fiscal year 2025. Money from this
 27.11 appropriation is available until spent.

27.12 **(c) Base level adjustment.** The general fund
 27.13 base is increased \$3,750,000 in fiscal year
 27.14 2024 and \$1,250,000 in fiscal year 2025. The
 27.15 health care access fund base is increased
 27.16 \$1,000,000 in fiscal year 2024, and \$0 in fiscal
 27.17 year 2025.

27.18 **(d) Health and Human Services Vaccination**
 27.19 **Rates.** \$1,000,000 in fiscal year 2023 is for
 27.20 community outreach grants to increase
 27.21 vaccination rates among enrollees in
 27.22 Minnesota health care programs. This is a
 27.23 onetime appropriation.

27.24 **Subd. 20. Grant Programs; Other Long-Term**
 27.25 **Care Grants**

-0-

118,000,000

27.26 **Workforce Incentive Fund Grant Program.**
 27.27 \$118,000,000 in fiscal year 2023 is to assist
 27.28 disability, housing, substance use, and older
 27.29 adult service providers of public programs to
 27.30 pay for incentive benefits to current and new
 27.31 workers. This is a onetime appropriation and
 27.32 is available until June 30, 2025. Three percent
 27.33 of the total amount of the appropriation may
 27.34 be used to administer the program, which

28.1 could include contracting with a third-party
 28.2 administrator.

28.3 **Subd. 21. Grant Programs; Disabilities Grants** -0- 8,200,000

28.4 **(a) Electronic Visit Verification (EVV)**

28.5 **Stipends.** \$6,440,000 in fiscal year 2023 is
 28.6 for onetime stipends of \$200 to bargaining
 28.7 members to offset the potential costs related
 28.8 to people using individual devices to access
 28.9 EVV. \$5,600,000 of the appropriation is for
 28.10 stipends and the remaining 15 percent is for
 28.11 administration of these stipends. This is a
 28.12 onetime appropriation.

28.13 **(b) Self-Directed Collective Bargaining**

28.14 **Agreement; Temporary Rate Increase**

28.15 **Memorandum of Understanding.** \$1,610,000
 28.16 in fiscal year 2023 is for onetime stipends for
 28.17 individual providers covered by the SEIU
 28.18 collective bargaining agreement based on the
 28.19 memorandum of understanding related to the
 28.20 temporary rate increase in effect between
 28.21 December 1, 2020, and February 7, 2021.
 28.22 \$1,400,000 of the appropriation is for stipends
 28.23 and the remaining 15 percent is for
 28.24 administration of the stipends. This is a
 28.25 onetime appropriation.

28.26 **(c) Base Level Adjustment.** The general fund

28.27 base is increased \$805,000 in fiscal year 2024
 28.28 and \$2,420,000 in fiscal year 2025.

28.29 **Subd. 22. Grant Programs; Housing Support**
 28.30 **Grants** -0- 1,100,000

28.31 **(a) AmeriCorps Heading Home Corps.**

28.32 \$1,100,000 in fiscal year 2023 is for the
 28.33 AmeriCorps Heading Home Corps program
 28.34 to fund housing resource navigators supporting
 28.35 individuals experiencing homelessness.

29.1 (b) Base Level Adjustment. The general fund
 29.2 base is increased \$1,100,000 in fiscal year
 29.3 2024 and \$12,100,000 in fiscal year 2025.

29.4	<u>Subd. 23. Grant Programs; Adult Mental Health</u>		
29.5	<u>Grants</u>	<u>20,000,000</u>	<u>18,927,000</u>

29.6 (a) Inpatient Psychiatric and Psychiatric
 29.7 Residential Treatment Facilities.
 29.8 \$10,000,000 in fiscal year 2023 is for
 29.9 competitive grants to hospitals or mental
 29.10 health providers to retain, build, or expand
 29.11 children's inpatient psychiatric beds for
 29.12 children in need of acute high-level psychiatric
 29.13 care or psychiatric residential treatment facility
 29.14 beds as described in Minnesota Statutes,
 29.15 section 256B.0941. In order to be eligible for
 29.16 a grant, a hospital or mental health provider
 29.17 must serve individuals covered by medical
 29.18 assistance under Minnesota Statutes, section
 29.19 256B.0625.

29.20 (b) Expanding Support for Psychiatric
 29.21 Residential Treatment Facilities. \$800,000
 29.22 in fiscal year 2023 is for start-up grants to
 29.23 psychiatric residential treatment facilities as
 29.24 described in Minnesota Statutes, section
 29.25 256B.0941. Grantees can use grant money for
 29.26 emergency workforce shortage uses.
 29.27 Allowable grant uses related to emergency
 29.28 workforce shortages may include but are not
 29.29 limited to hiring and retention bonuses,
 29.30 recruitment of a culturally responsive
 29.31 workforce, and allowing providers to increase
 29.32 the hourly rate in order to be competitive in
 29.33 the market.

29.34 (c) Workforce Incentive Fund Grant
 29.35 Program. \$20,000,000 in fiscal year 2022

30.1 from the general fund is to provide mental
30.2 health public program providers the ability to
30.3 pay for incentive benefits to current and new
30.4 workers. This is a onetime appropriation and
30.5 is available until June 30, 2025. Three percent
30.6 of the total amount of the appropriation may
30.7 be used to administer the program, which
30.8 could include contracting with a third-party
30.9 administrator.

30.10 **(d) Cultural and Ethnic Infrastructure**
30.11 **Grant Funding. \$5,000,000 in fiscal year**
30.12 **2023 is for increasing cultural and ethnic**
30.13 **infrastructure grant funding under Minnesota**
30.14 **Statutes, section 245.4661, subdivision 6. This**
30.15 **grant funding will be used to alleviate the**
30.16 **workforce shortage and will be used to recruit**
30.17 **more providers who are Black, Indigenous,**
30.18 **and people of color for both mental health and**
30.19 **substance use disorder organizations.**

30.20 **(e) Mental Health Provider Grants to Rural**
30.21 **and Underserved Communities. \$5,000,000**
30.22 **in fiscal year 2023 is for a grant program to**
30.23 **recruit mental health providers in rural areas**
30.24 **and underserved communities. This money**
30.25 **can be used for reimbursement of supervision**
30.26 **costs of interns and clinical trainees,**
30.27 **reimbursing staff for master's degree tuition**
30.28 **costs in mental health fields, and licensing and**
30.29 **exam fees.**

30.30 **(f) Culturally Specific Grants. \$2,000,000**
30.31 **in fiscal year 2023 and \$2,000,000 in fiscal**
30.32 **year 2024 are for grants for small to midsize**
30.33 **nonprofit organizations who represent and**
30.34 **support American Indian, Indigenous, and**
30.35 **other communities disproportionately affected**

31.1 by the opiate crisis. These grants utilize
 31.2 traditional healing practices and other
 31.3 culturally congruent and relevant supports to
 31.4 prevent and curb opiate use disorders through
 31.5 housing, treatment, education, aftercare, and
 31.6 other activities as determined by the
 31.7 commissioner. This is a onetime appropriation.

31.8 (g) **Base Level Adjustment.** The general fund
 31.9 base is increased \$23,791,000 in fiscal year
 31.10 2024 and \$30,916,000 in fiscal year 2025. The
 31.11 opiate epidemic response base is increased
 31.12 \$2,000,000 in fiscal year 2025.

31.13	<u>Subd. 24. Grant Programs; Child Mental Health</u>		
31.14	<u>Grants</u>	<u>-0-</u>	<u>10,800,000</u>

31.15 **Base Level Adjustment.** The general fund
 31.16 base is increased \$15,800,000 in fiscal year
 31.17 2024 and \$800,000 in fiscal year 2025.

31.18	<u>Subd. 25. Grant Programs; Chemical</u>		
31.19	<u>Dependency Treatment Support Grants</u>	<u>-0-</u>	<u>4,000,000</u>

31.20 (a) **Emerging Mood Disorder Grant**
 31.21 **Program.** \$1,000,000 in fiscal year 2023 is
 31.22 for emerging mood disorder grants under
 31.23 Minnesota Statutes, section 245.4904.
 31.24 Grantees must use grant money as required in
 31.25 Minnesota Statutes, section 245.4904,
 31.26 subdivision 2.

31.27 (b) **Substance Use Disorder Treatment and**
 31.28 **Prevention Grants.** The base shall include
 31.29 \$4,000,000 in fiscal year 2024 and \$4,000,000
 31.30 in fiscal year 2025 for substance use disorder
 31.31 treatment and prevention grants recommended
 31.32 by the substance use disorder advisory council.

31.33 (c) **Traditional Healing Grants.** The base
 31.34 shall include \$2,000,000 in fiscal year 2025
 31.35 to extend the traditional healing grant funding

32.1 appropriated in Laws 2019, chapter 63, article
 32.2 3, section 1, paragraph (h), from the opiate
 32.3 epidemic response account to the
 32.4 commissioner of human services. This funding
 32.5 is awarded to all Tribal nations and to five
 32.6 urban Indian communities for traditional
 32.7 healing practices to American Indians and to
 32.8 increase the capacity of culturally specific
 32.9 providers in the behavioral health workforce.

32.10 (d) **Base Level Adjustment.** The general fund
 32.11 base is increased \$4,000,000 in fiscal year
 32.12 2024 and \$2,000,000 in fiscal year 2025.

32.13 Subd. 26. **Direct Care and Treatment -**
 32.14 **Operations** -0- 6,501,000

32.15 **Base Level Adjustment.** The general fund
 32.16 base is increased \$5,267,000 in fiscal year
 32.17 2024 and \$0 in fiscal year 2025.

32.18 Subd. 27. **Technical Activities** -0- -0-

32.19 (a) **Transfers; Child Care and Development**
 32.20 **Fund.** For fiscal years 2024 and 2025, the base
 32.21 shall include a transfer of \$23,500,000 in fiscal
 32.22 year 2024 and \$23,500,000 in fiscal year 2025
 32.23 from the TANF fund to the child care and
 32.24 development fund. These are onetime
 32.25 transfers.

32.26 (b) **Base Level Adjustment.** The TANF base
 32.27 is increased \$23,500,000 in fiscal year 2024,
 32.28 \$23,500,000 in fiscal year 2025, and \$0 in
 32.29 fiscal year 2026.

32.30 Sec. 3. **BOARD OF DIRECTORS OF MNSURE**

32.31	<u>Appropriations by Fund</u>	
32.32	<u>2022</u>	<u>2023</u>
32.33	<u>General</u>	<u>-0- 7,775,000</u>
32.34	<u>Health Care Access</u>	<u>-0- 3,500,000</u>

33.1 These appropriations may be transferred to
 33.2 the MNSure account established by Minnesota
 33.3 Statutes, section 62V.07. The health care
 33.4 access fund appropriation is onetime.

33.5 **Base Adjustment.** The general fund base for
 33.6 this appropriation is \$7,476,000 in fiscal year
 33.7 2024, \$3,521,000 in fiscal year 2025, and \$0
 33.8 in fiscal year 2026.

33.9 Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29,
 33.10 is amended to read:

33.11 Subd. 29. Grant Programs; Disabilities Grants	31,398,000	31,010,000
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33.12 **(a) Training Stipends for Direct Support**
 33.13 **Services Providers.** \$1,000,000 in fiscal year
 33.14 2022 is from the general fund for stipends for
 33.15 individual providers of direct support services
 33.16 as defined in Minnesota Statutes, section
 33.17 256B.0711, subdivision 1. These stipends are
 33.18 available to individual providers who have
 33.19 completed designated voluntary trainings
 33.20 made available through the State-Provider
 33.21 Cooperation Committee formed by the State
 33.22 of Minnesota and the Service Employees
 33.23 International Union Healthcare Minnesota.
 33.24 Any unspent appropriation in fiscal year 2022
 33.25 is available in fiscal year 2023. This is a
 33.26 onetime appropriation. This appropriation is
 33.27 available only if the labor agreement between
 33.28 the state of Minnesota and the Service
 33.29 Employees International Union Healthcare
 33.30 Minnesota under Minnesota Statutes, section
 33.31 179A.54, is approved under Minnesota
 33.32 Statutes, section 3.855.

33.33 **(b) Parent-to-Parent Peer Support.** \$125,000
 33.34 in fiscal year 2022 and \$125,000 in fiscal year

34.1 2023 are from the general fund for a grant to
34.2 an alliance member of Parent to Parent USA
34.3 to support the alliance member's
34.4 parent-to-parent peer support program for
34.5 families of children with a disability or special
34.6 health care need.

34.7 **(c) Self-Advocacy Grants.** (1) \$143,000 in
34.8 fiscal year 2022 and \$143,000 in fiscal year
34.9 2023 are from the general fund for a grant
34.10 under Minnesota Statutes, section 256.477,
34.11 subdivision 1.

34.12 (2) \$105,000 in fiscal year 2022 and \$105,000
34.13 in fiscal year 2023 are from the general fund
34.14 for subgrants under Minnesota Statutes,
34.15 section 256.477, subdivision 2.

34.16 **(d) Minnesota Inclusion Initiative Grants.**
34.17 \$150,000 in fiscal year 2022 and \$150,000 in
34.18 fiscal year 2023 are from the general fund for
34.19 grants under Minnesota Statutes, section
34.20 256.4772.

34.21 **(e) Grants to Expand Access to Child Care**
34.22 **for Children with Disabilities.** \$250,000 in
34.23 fiscal year 2022 and \$250,000 in fiscal year
34.24 2023 are from the general fund for grants to
34.25 expand access to child care for children with
34.26 disabilities. Any unspent amount in fiscal year
34.27 2022 is available through June 30, 2023. This
34.28 is a onetime appropriation.

34.29 **(f) Parenting with a Disability Pilot Project.**
34.30 The general fund base includes \$1,000,000 in
34.31 fiscal year 2024 and \$0 in fiscal year 2025 to
34.32 implement the parenting with a disability pilot
34.33 project.

35.1 (g) **Base Level Adjustment.** The general fund
 35.2 base is \$29,260,000 in fiscal year 2024 and
 35.3 \$22,260,000 in fiscal year 2025.

35.4 Sec. 5. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 31,
 35.5 is amended to read:

35.6 **Subd. 31. Grant Programs; Adult Mental Health**
 35.7 **Grants**

35.8	Appropriations by Fund		
35.9	General	98,772,000	98,703,000
35.10	Opiate Epidemic		
35.11	Response	2,000,000	2,000,000

35.12 (a) **Culturally and Linguistically**
 35.13 **Appropriate Services Implementation**
 35.14 **Grants.** \$2,275,000 in fiscal year 2022 and
 35.15 \$2,206,000 in fiscal year 2023 are from the
 35.16 general fund for grants to disability services,
 35.17 mental health, and substance use disorder
 35.18 treatment providers to implement culturally
 35.19 and linguistically appropriate services
 35.20 standards, according to the implementation
 35.21 and transition plan developed by the
 35.22 commissioner. Any unspent amount in fiscal
 35.23 year 2022 is available through June 30, 2023.
 35.24 The general fund base for this appropriation
 35.25 is \$1,655,000 in fiscal year 2024 and \$0 in
 35.26 fiscal year 2025.

35.27 (b) **Base Level Adjustment.** The general fund
 35.28 base is \$93,295,000 in fiscal year 2024 and
 35.29 \$83,324,000 in fiscal year 2025. The opiate
 35.30 epidemic response fund base is \$2,000,000 in
 35.31 fiscal year 2024 and \$0 in fiscal year 2025.

36.1 Sec. 6. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 33,
36.2 is amended to read:

36.3 **Subd. 33. Grant Programs; Chemical**
36.4 **Dependency Treatment Support Grants**

36.5 Appropriations by Fund

36.6	General	4,273,000	4,274,000
36.7	Lottery Prize	1,733,000	1,733,000
36.8	Opiate Epidemic		
36.9	Response	500,000	500,000

36.10 (a) **Problem Gambling.** \$225,000 in fiscal
36.11 year 2022 and \$225,000 in fiscal year 2023
36.12 are from the lottery prize fund for a grant to
36.13 the state affiliate recognized by the National
36.14 Council on Problem Gambling. The affiliate
36.15 must provide services to increase public
36.16 awareness of problem gambling, education,
36.17 training for individuals and organizations
36.18 providing effective treatment services to
36.19 problem gamblers and their families, and
36.20 research related to problem gambling.

36.21 (b) **Recovery Community Organization**
36.22 **Grants.** \$2,000,000 in fiscal year 2022 and
36.23 \$2,000,000 in fiscal year 2023 are from the
36.24 general fund for grants to recovery community
36.25 organizations, as defined in Minnesota
36.26 Statutes, section 254B.01, subdivision 8, to
36.27 provide for costs and community-based peer
36.28 recovery support services that are not
36.29 otherwise eligible for reimbursement under
36.30 Minnesota Statutes, section 254B.05, as part
36.31 of the continuum of care for substance use
36.32 disorders. Any unspent amount in fiscal year
36.33 2022 is available through June 30, 2023. The
36.34 general fund base for this appropriation is
36.35 \$2,000,000 in fiscal year 2024 and \$0 in fiscal
36.36 year 2025

37.1 (c) **Base Level Adjustment.** The general fund
37.2 base is \$4,636,000 in fiscal year 2024 and
37.3 \$2,636,000 in fiscal year 2025. The opiate
37.4 epidemic response fund base is \$500,000 in
37.5 fiscal year 2024 and \$0 in fiscal year 2025.

37.6 Sec. 7. Laws 2021, First Special Session chapter 7, article 16, section 28, is amended to
37.7 read:

37.8 Sec. 28. **CONTINGENT APPROPRIATIONS.**

37.9 Any appropriation in this act for a purpose included in Minnesota's initial state spending
37.10 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
37.11 for implementation of section 9817 of the federal American Rescue Plan Act of 2021 is
37.12 contingent upon approval of that purpose by the Centers for Medicare and Medicaid Services,
37.13 except for the rate increases specified in article 11, sections 12 and 19. This section expires
37.14 June 30, 2024.

37.15 Sec. 8. Laws 2021, First Special Session chapter 7, article 17, section 3, is amended to
37.16 read:

37.17 Sec. 3. **GRANTS FOR TECHNOLOGY FOR HCBS RECIPIENTS.**

37.18 (a) This act includes \$500,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023
37.19 for the commissioner of human services to issue competitive grants to home and
37.20 community-based service providers. Grants must be used to provide technology assistance,
37.21 including but not limited to Internet services, to older adults and people with disabilities
37.22 who do not have access to technology resources necessary to use remote service delivery
37.23 and telehealth. Any unspent amount in fiscal year 2022 is available through June 30, 2023.
37.24 The general fund base included in this act for this purpose is \$1,500,000 in fiscal year 2024
37.25 and \$0 in fiscal year 2025.

37.26 (b) All grant activities must be completed by March 31, 2024.

37.27 (c) This section expires June 30, 2024.

38.1 Sec. 9. Laws 2021, First Special Session chapter 7, article 17, section 6, is amended to
38.2 read:

38.3 **Sec. 6. TRANSITION TO COMMUNITY INITIATIVE.**

38.4 (a) This act includes \$5,500,000 in fiscal year 2022 and \$5,500,000 in fiscal year 2023
38.5 for additional funding for grants awarded under the transition to community initiative
38.6 described in Minnesota Statutes, section 256.478. Any unspent amount in fiscal year 2022
38.7 is available through June 30, 2023. The general fund base in this act for this purpose is
38.8 \$4,125,000 in fiscal year 2024 and \$0 in fiscal year 2025.

38.9 (b) All grant activities must be completed by March 31, 2024.

38.10 (c) This section expires June 30, 2024.

38.11 Sec. 10. Laws 2021, First Special Session chapter 7, article 17, section 10, is amended to
38.12 read:

38.13 **Sec. 10. PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED**
38.14 **COMMUNITIES.**

38.15 (a) This act includes \$6,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
38.16 for the commissioner to establish a grant program for small provider organizations that
38.17 provide services to rural or underserved communities with limited home and
38.18 community-based services provider capacity. The grants are available to build organizational
38.19 capacity to provide home and community-based services in Minnesota and to build new or
38.20 expanded infrastructure to access medical assistance reimbursement. Any unspent amount
38.21 in fiscal year 2022 is available through June 30, 2023. The general fund base in this act for
38.22 this purpose is \$8,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

38.23 (b) The commissioner shall conduct community engagement, provide technical assistance,
38.24 and establish a collaborative learning community related to the grants available under this
38.25 section and work with the commissioner of management and budget and the commissioner
38.26 of the Department of Administration to mitigate barriers in accessing grant funds. Funding
38.27 awarded for the community engagement activities described in this paragraph is exempt
38.28 from state solicitation requirements under Minnesota Statutes, section 16B.97, for activities
38.29 that occur in fiscal year 2022.

38.30 (c) All grant activities must be completed by March 31, 2024.

38.31 (d) This section expires June 30, 2024.

39.1 Sec. 11. Laws 2021, First Special Session chapter 7, article 17, section 11, is amended to
39.2 read:

39.3 Sec. 11. **EXPAND MOBILE CRISIS.**

39.4 (a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
39.5 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,
39.6 section 245.4661, subdivision 9, paragraph (b), clause (15). Any unspent amount in fiscal
39.7 year 2022 is available through June 30, 2023. The general fund base in this act for this
39.8 purpose is \$4,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

39.9 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
39.10 funded under this section.

39.11 (c) All grant activities must be completed by March 31, 2024.

39.12 (d) This section expires June 30, 2024.

39.13 Sec. 12. Laws 2021, First Special Session chapter 7, article 17, section 12, is amended to
39.14 read:

39.15 Sec. 12. **PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD**
39.16 **AND ADOLESCENT MOBILE TRANSITION UNIT.**

39.17 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
39.18 for the commissioner of human services to create children's mental health transition and
39.19 support teams to facilitate transition back to the community of children from psychiatric
39.20 residential treatment facilities, and child and adolescent behavioral health hospitals. Any
39.21 unspent amount in fiscal year 2022 is available through June 30, 2023. The general fund
39.22 base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and \$0 in fiscal
39.23 year 2025.

39.24 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
39.25 funded under this section.

39.26 (c) This section expires March 31, 2024.

39.27 Sec. 13. Laws 2021, First Special Session chapter 7, article 17, section 17, subdivision 3,
39.28 is amended to read:

39.29 Subd. 3. **Respite services for older adults grants.** (a) This act includes \$2,000,000 in
39.30 fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services

40.1 to establish a grant program for respite services for older adults. The commissioner must
40.2 award grants on a competitive basis to respite service providers. Any unspent amount in
40.3 fiscal year 2022 is available through June 30, 2023. The general fund base included in this
40.4 act for this purpose is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

40.5 (b) All grant activities must be completed by March 31, 2024.

40.6 (c) This subdivision expires June 30, 2024.

119B.03 BASIC SLIDING FEE PROGRAM.

Subdivision 1. **Notice of allocation.** By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 2. **Waiting list.** Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a preliminary determination of eligibility when a family requests child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. Counties must review and update their waiting list at least every six months.

Subd. 4. **Funding priority.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their MFIP or DWP transition year, or parents who are no longer receiving or eligible for diversionary work program supports.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(d) Fourth priority must be given to families in which at least one parent is a veteran as defined under section 197.447.

(e) Families under paragraph (b) must be added to the basic sliding fee waiting list on the date they begin the transition year under section 119B.011, subdivision 20, and must be moved into the basic sliding fee program as soon as possible after they complete their transition year.

Subd. 4a. **Temporary reprioritization.** (a) Notwithstanding subdivision 4, priority for child care assistance under the basic sliding fee assistance program shall be determined according to this subdivision beginning July 1, 2021, through May 31, 2024.

(b) First priority must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(c) Second priority must be given to families in which at least one parent is a veteran, as defined under section 197.447.

(d) Third priority must be given to eligible families who do not meet the specifications of paragraph (b), (c), (e), or (f).

(e) Fourth priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(f) Fifth priority must be given to eligible families receiving services under section 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition year, or if the parents are no longer receiving or eligible for DWP supports.

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(g) Families under paragraph (f) must be added to the basic sliding fee waiting list on the date they complete their transition year under section 119B.011, subdivision 20.

Subd. 5. Review of use of funds; reallocation. (a) After each quarter, the commissioner shall review the use of basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation or may allow a county to expend up to ten percent of its allocation in the subsequent allocation period.

(b) Any unexpended state and federal appropriations from the first year of the biennium may be carried forward to the second year of the biennium.

Subd. 6. Allocation formula. The allocation component of basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) One-fourth of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

(b) Up to one-fourth of the funds shall be allocated in proportion to the number of families participating in the transition year child care program as reported during and averaged over the most recent six months completed at the time of the notice of allocation. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(c) Up to one-half of the funds shall be allocated in proportion to the average of each county's most recent 12 months of reported waiting list as defined in subdivision 2 and the reinstatement list of those families whose assistance was terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(d) The amount necessary to serve all families in paragraphs (b) and (c) shall be calculated based on the basic sliding fee average cost of care per family in the county with the highest cost in the most recently completed calendar year.

(e) Funds in excess of the amount necessary to serve all families in paragraphs (b) and (c) shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

Subd. 6a. Allocation due to increased funding. When funding increases are implemented within a calendar year, every county must receive an allocation at least equal to its original allocation for the same time period. The remainder of the allocation must be recalculated to reflect the funding increase, according to formulas identified in subdivision 6.

Subd. 6b. Allocation due to decreased funding. When funding decreases are implemented within a calendar year, county allocations must be reduced in an amount proportionate to the reduction in the total allocation for the same time period. This applies when a funding decrease necessitates the revision of an existing calendar year allocation.

Subd. 8. Guaranteed floor. (a) Beginning January 1, 1996, each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. For the period January 1, 1999, to December 31, 1999, each county's guaranteed floor must be equal to its original calendar year 1998 allocation or its actual earnings for calendar year 1998, whichever is less.

(b) When the amount of funds available for allocation is less than the amount available in the previous year, each county's previous year allocation shall be reduced in proportion to the reduction in the statewide funding, for the purpose of establishing the guaranteed floor.