

SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION

S.F. No. 1435

(SENATE AUTHORS: ABELER, Relph and Hoffman)		
DATE	D-PG	OFFICIAL STATUS
02/27/2017	783	Introduction and first reading
		Referred to Human Services Reform Finance and Policy
03/08/2017	1151a	Comm report: To pass as amended and re-refer to Agriculture, Rural Development, and Housing Finance

1.1A bill for an act

1.2relating to state government funding; establishing a pilot program to test an

1.3alternative financing model for young families receiving public assistance by

1.4removing funding barriers.

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

1.6Section 1. **MINNESOTA PATHWAYS TO PROSPERITY PILOT PROJECT.**

1.7Subdivision 1. **Authorization.** The commissioners of human services, health, education,

1.8Minnesota Housing Finance Agency, and management and budget, hereinafter, executive

1.9branch team, shall develop and implement a pilot that will test an alternative financing

1.10model for the distribution of publicly funded benefits. The executive branch team shall work

1.11with two counties, one metro and one outstate, selected by the commissioner of human

1.12services. The pilot program is from July 1, 2017, to June 30, 2020. The executive branch

1.13team must determine the waivers that are necessary to implement the pilot program, and

1.14work with the counties to apply, receive approval, and secure necessary federal waivers and

1.15administrative waivers.

1.16Subd. 2. **Pilot program design and goals.** The pilot program must reduce the historical

1.17separation between the state funds and systems affecting families who are receiving public

1.18assistance. The pilot program shall eliminate, where possible, funding restrictions to allow

1.19a more comprehensive approach to the needs of the families in the pilot program, and focus

1.20on upstream, prevention-oriented supports and interventions.

1.21Subd. 3. **Program participants.** Pilot program participants must:

1.22(1) be 26 years of age or younger with a minimum of one child;

2.1 (2) voluntarily agree to participate in the pilot program;

2.2 (3) be eligible for, applying for, or receiving public benefits including but not limited  
2.3 to housing assistance, education supports, employment supports, child care, transportation  
2.4 supports, medical assistance, earned income tax credit, or the child care tax credit; and

2.5 (4) be enrolled in an education program that is focused on obtaining a career that will  
2.6 likely result in a livable wage.

2.7 Subd. 4. **Minnesota Housing Finance Agency (MHFA).** For purposes of the pilot  
2.8 program, the MHFA shall allocate 100 housing vouchers to pilot program sites, if they are  
2.9 available. If vouchers are not available, the state will appropriate funds so pilot program  
2.10 sites are provided with 100 vouchers for program participants.

2.11 Subd. 5. **Outcomes.** The outcomes measures for the pathways to prosperity include:

2.12 (1) improvement in the affordability, safety, and permanence of suitable housing;

2.13 (2) improvement in family functioning and stability, including in the areas of behavioral  
2.14 health, incarceration, involvement with the child welfare system, or equivalent indicators;

2.15 (3) secure educational gains for parent and specifically for children from early childhood  
2.16 through high school, including absentee reduction, preschool readiness scores, third-grade  
2.17 reading competency, graduation, GPA, and standardized test improvement;

2.18 (4) improvement in attachment to the workforce of one or both adults, including enhanced  
2.19 job stability; wage gains; career advancement; progress in career preparation; or an equivalent  
2.20 combination of these or related measures; and

2.21 (5) improvement in health access and health outcomes for parents and children.

2.22 Subd. 6. **Evaluation and report.** The counties shall work with a third-party evaluator  
2.23 to establish a random sample to evaluate the effectiveness of the pilot program based on  
2.24 the outcomes under subdivision 5. Pilot program counties shall report back to the legislature  
2.25 each year by February 1 with an update on the progress of the pilot program. The final report  
2.26 on the pilot program is due January 1, 2021.