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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1142

03/04/2013 Authored by Moran and Fritz

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

1.1 A bill for an act
1.2 relating to human services; creating the Minnesota Families and Children
1.3 Assistance Program Act; modifying the MFIP and child care assistance
1.4 programs; providing directions to commissioner; instructing the revisor to
1.5 change certain terminology; appropriating money; amending Minnesota Statutes
1.6 2012, sections 16A.152, subdivision 2; 119B.05, subdivision 1; 256J.08, by
1.7 adding a subdivision; 256J.24, subdivision 5; proposing coding for new law in
1.8 Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 2012, section
1.9 256J.24, subdivision 6.

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

1.11 Section 1. **LEGISLATIVE FINDINGS.**

1.12 The legislature finds that:

1.13 (1) seven out of ten MFIP recipients are children;

1.14 (2) children receiving MFIP assistance are living in poverty;

1.15 (3) current MFIP policies are pushing children and their families deeper into poverty;

1.16 (4) almost half of Minnesota children receiving MFIP assistance are under the

1.17 age of six;

1.18 (5) 90 percent of brain development occurs during the first five years of a child's life;

1.19 (6) research demonstrates that experiences affect the way a child's brain develops,

1.20 and that adverse childhood experiences can produce toxic levels of stress and disrupt the

1.21 architecture of a child's developing brain; and

1.22 (7) 85 percent of teenage mothers currently receiving MFIP assistance received

1.23 MFIP assistance as children.

1.24 Sec. 2. Minnesota Statutes 2012, section 16A.152, subdivision 2, is amended to read:

2.1 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general
 2.2 fund revenues and expenditures, the commissioner of management and budget determines
 2.3 that there will be a positive unrestricted budgetary general fund balance at the close of
 2.4 the biennium, the commissioner of management and budget must allocate money to the
 2.5 following accounts and purposes in priority order:

2.6 (1) the cash flow account established in subdivision 1 until that account reaches
 2.7 \$350,000,000;

2.8 (2) the budget reserve account established in subdivision 1a until that account
 2.9 reaches \$653,000,000;

2.10 (3) the amount necessary to increase the aid payment schedule for school district
 2.11 aids and credits payments in section 127A.45 to not more than 90 percent rounded to the
 2.12 nearest tenth of a percent without exceeding the amount available and with any remaining
 2.13 funds deposited in the budget reserve;

2.14 (4) the amount necessary to restore all or a portion of the net aid reductions under
 2.15 section 127A.441 and to reduce the property tax revenue recognition shift under section
 2.16 123B.75, subdivision 5, by the same amount; and

2.17 (5) the Minnesota Family Investment Program under chapter 256J or other
 2.18 TANF-eligible programs in an amount equal to the amount of federal TANF funds that
 2.19 have been used to refinance general fund expenditures since fiscal year 1997; and

2.20 ~~(5)~~ (6) to the state airports fund, the amount necessary to restore the amount
 2.21 transferred from the state airports fund under Laws 2008, chapter 363, article 11, section
 2.22 3, subdivision 5.

2.23 (b) The amounts necessary to meet the requirements of this section are appropriated
 2.24 from the general fund within two weeks after the forecast is released or, in the case of
 2.25 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
 2.26 schedules otherwise established in statute.

2.27 (c) The commissioner of management and budget shall certify the total dollar
 2.28 amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of
 2.29 education. The commissioner of education shall increase the aid payment percentage and
 2.30 reduce the property tax shift percentage by these amounts and apply those reductions to
 2.31 the current fiscal year and thereafter.

2.32 Sec. 3. Minnesota Statutes 2012, section 119B.05, subdivision 1, is amended to read:

2.33 Subdivision 1. **Eligible participants.** Families eligible for child care assistance
 2.34 under the MFIP child care program are:

3.1 (1) MFIP participants who are employed or in job search and meet the requirements
3.2 of section 119B.10;

3.3 (2) persons who are members of transition year families under section 119B.011,
3.4 subdivision 20, and meet the requirements of section 119B.10;

3.5 (3) families who are participating in employment orientation or job search, or
3.6 other employment or training activities that are included in an approved employability
3.7 development plan under section 256J.95;

3.8 (4) MFIP families who are participating in work job search, job support,
3.9 employment, or training activities as required in their employment plan, or in appeals,
3.10 hearings, assessments, or orientations according to chapter 256J;

3.11 (5) MFIP families who are participating in social services activities under chapter
3.12 256J as required in their employment plan approved according to chapter 256J;

3.13 (6) families who are participating in services or activities that are included in an
3.14 approved family stabilization plan under section 256J.575;

3.15 (7) MFIP child-only cases under section 256J.88 may be authorized to receive up to
3.16 20 hours of MFIP child care assistance per week as approved by the county, if the child is
3.17 not enrolled in any other early childhood programming;

3.18 ~~(7)~~ (8) families who are participating in programs as required in tribal contracts
3.19 under section 119B.02, subdivision 2, or 256.01, subdivision 2; and

3.20 ~~(8)~~ (9) families who are participating in the transition year extension under section
3.21 119B.011, subdivision 20a.

3.22 Sec. 4. Minnesota Statutes 2012, section 256J.08, is amended by adding a subdivision
3.23 to read:

3.24 Subd. 11b. **Child well-being.** "Child well-being" means a child's developmental
3.25 progress relative to the child's age, including cognitive, physical, emotional, and social
3.26 development as measured through developmental screening tools, school achievement,
3.27 health status, and other relevant standardized measures of development.

3.28 Sec. 5. Minnesota Statutes 2012, section 256J.24, subdivision 5, is amended to read:

3.29 **Subd. 5. MFIP transitional standard.** The MFIP transitional standard is based
3.30 on the number of persons in the assistance unit eligible for both food and cash assistance
3.31 ~~unless the restrictions in subdivision 6 on the birth of a child apply.~~ The amount of the
3.32 transitional standard is published annually by the Department of Human Services.

3.33 Sec. 6. [256J.317] DUTIES OF THE COMMISSIONER; MFIP REPORTS.

4.1 The commissioner of human services shall include information regarding the
 4.2 number of children and their ages: receiving MFIP; affected by sanctions; and in families
 4.3 exceeding the 60-month time limit in the Department of Human Services' MFIP monthly
 4.4 reports and trends reports. By February 1, 2014, the commissioner, in consultation with
 4.5 the commissioners of education and health, shall make recommendations to the legislative
 4.6 committees with jurisdiction over human services policy and finance on the feasibility of
 4.7 incorporating measures of child well-being into Department of Human Services county
 4.8 management reports or other annual reports, including information about MFIP children's
 4.9 participation in early childhood programs such as family home visiting, Early Head Start
 4.10 and Head Start, Part C Early Intervention, and their utilization of preventative health
 4.11 services, including well-child visits.

4.12 **Sec. 7. MFIP CHILD WELL-BEING PILOT PROJECT.**

4.13 Subdivision 1. **Establishment.** The commissioner of human services shall
 4.14 establish and implement a pilot project in up to three counties to determine effective
 4.15 strategies to increase MFIP child well-being, especially to improve the school readiness
 4.16 of young children in families receiving MFIP by increasing their parents' knowledge
 4.17 of and access to information and opportunities for early childhood care and education.
 4.18 The commissioner shall develop the project in consultation with the commissioners of
 4.19 education, health, and the Housing Finance Agency.

4.20 Subd. 2. **Pilot project goals.** The goals of the pilot project are to:

4.21 (1) determine effective strategies to help parents identify when they or their child
 4.22 may benefit from mental health or early childhood services, understand the importance of
 4.23 obtaining services for themselves and their child, and know where to go for services;

4.24 (2) provide early childhood development information and resources to MFIP parents,
 4.25 including tools parents can use to track their child's development, resources used by other
 4.26 families in their communities to support their child's growth, and where to go if they have
 4.27 questions about their child's development;

4.28 (3) determine the best strategies to ensure that MFIP parents can attend to their
 4.29 child's development and potential need for additional services, if indicated;

4.30 (4) consider county staff training issues related to early childhood development
 4.31 and child well-being;

4.32 (5) test various methods of providing information about child development,
 4.33 including the impact of trauma and poverty in early childhood, to county staff, community
 4.34 provider staff, and MFIP parents; and

4.35 (6) maximize the use of existing resources.

5.1 Subd. 3. **County application; participation.** Counties may apply to the
5.2 commissioner of human services to participate in the pilot project on the forms and
5.3 according to the timelines established by the commissioner. The commissioner shall
5.4 determine the county or counties that will participate in the pilot project based on the
5.5 applications received by the commissioner. The commissioner shall provide technical
5.6 assistance to participating counties, including advice regarding medical assistance
5.7 reimbursement for certain screening and assessment activities under the child and teen
5.8 check-up program.

5.9 Subd. 4. **Services.** (a) Services provided under the pilot project shall include, but
5.10 are not limited to, providing parents access to:

5.11 (1) information regarding healthy child development;

5.12 (2) resources to support parenting; and

5.13 (3) specialized resources to prevent or mitigate developmental delays, including
5.14 family home visiting, Part C Early Intervention, mental health services provided by a
5.15 professional with training in children's mental health, child care, and Early Head Start
5.16 or Head Start.

5.17 (b) Families must begin receiving services under the pilot project no later than
5.18 July 1, 2014.

5.19 Subd. 5. **Parental participation.** The project must allow parents to count
5.20 participation in approved early childhood programs as an approved MFIP work activity, if
5.21 included in the caregiver's employment plan.

5.22 Subd. 6. **Report and recommendations.** The commissioner of human services
5.23 shall report to the legislative committees with jurisdiction over health and human services
5.24 policy and finance by January 15, 2017, information on pilot project participants,
5.25 including information on child outcomes, children's school readiness, parent satisfaction,
5.26 and parental ability to receive services or other information through the referrals provided
5.27 by the county or other staff. The commissioner shall also provide recommendations to
5.28 the legislative committees with jurisdiction over health and human services policy and
5.29 finance to improve MFIP child well-being outcomes and to expand the project statewide
5.30 if the results of the project indicate project participants achieved better outcomes. Child
5.31 outcomes must be the primary factor for determining project effectiveness.

5.32 Subd. 7. **Expiration.** This section expires June 30, 2016.

5.33 Sec. 8. **DIRECTION TO COMMISSIONER.**

5.34 By February 1, 2014, the commissioner of management and budget shall report
5.35 to the legislative committees with jurisdiction over early childhood care and education

6.1 policy and finance on issues associated with incorporating long-term costs and benefits of
6.2 investments or disinvestments in early childhood programs into state budget estimates,
6.3 including fiscal notes.

6.4 Sec. 9. **APPROPRIATION.**

6.5 \$..... is appropriated for the biennium beginning July 1, 2013, from the general
6.6 fund to the commissioner of human services for the MFIP child well-being project under
6.7 section 7.

6.8 Sec. 10. **REVISOR'S INSTRUCTION.**

6.9 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute
6.10 the terms "Minnesota Families and Children Assistance Program" for "Minnesota Family
6.11 Investment Program" and "MFCAP" for "MFIP" wherever they appear.

6.12 Sec. 11. **REPEALER.**

6.13 Minnesota Statutes 2012, section 256J.24, subdivision 6, is repealed.

256J.24 FAMILY COMPOSITION; ASSISTANCE STANDARDS; EXIT LEVEL.

Subd. 6. **Family cap.** (a) MFIP assistance units shall not receive an increase in the cash portion of the transitional standard as a result of the birth of a child, unless one of the conditions under paragraph (b) is met. The child shall be considered a member of the assistance unit according to subdivisions 1 to 3, but shall be excluded in determining family size for purposes of determining the amount of the cash portion of the transitional standard under subdivision 5. The child shall be included in determining family size for purposes of determining the food portion of the transitional standard. The transitional standard under this subdivision shall be the total of the cash and food portions as specified in this paragraph. The family wage level under this subdivision shall be based on the family size used to determine the food portion of the transitional standard.

(b) A child shall be included in determining family size for purposes of determining the amount of the cash portion of the MFIP transitional standard when at least one of the following conditions is met:

(1) for families receiving MFIP assistance on July 1, 2003, the child is born to the adult parent before May 1, 2004;

(2) for families who apply for the diversionary work program under section 256J.95 or MFIP assistance on or after July 1, 2003, the child is born to the adult parent within ten months of the date the family is eligible for assistance;

(3) the child was conceived as a result of a sexual assault or incest, provided that the incident has been reported to a law enforcement agency;

(4) the child's mother is a minor caregiver as defined in section 256J.08, subdivision 59, and the child, or multiple children, are the mother's first birth;

(5) the child is the mother's first child subsequent to a pregnancy that did not result in a live birth; or

(6) any child previously excluded in determining family size under paragraph (a) shall be included if the adult parent or parents have not received benefits from the diversionary work program under section 256J.95 or MFIP assistance in the previous ten months. An adult parent or parents who reapply and have received benefits from the diversionary work program or MFIP assistance in the past ten months shall be under the ten-month grace period of their previous application under clause (2).

(c) Income and resources of a child excluded under this subdivision, except child support received or distributed on behalf of this child, must be considered using the same policies as for other children when determining the grant amount of the assistance unit.

(d) The caregiver must assign support and cooperate with the child support enforcement agency to establish paternity and collect child support on behalf of the excluded child. Failure to cooperate results in the sanction specified in section 256J.46, subdivisions 2 and 2a. Current support paid on behalf of the excluded child shall be distributed according to section 256.741, subdivision 15.

(e) County agencies must inform applicants of the provisions under this subdivision at the time of each application and at recertification.

(f) Children excluded under this provision shall be deemed MFIP recipients for purposes of child care under chapter 119B.