

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 1435**

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

1.1 A bill for an act

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

1.3 alternative financing model for young families receiving public assistance by

1.4 removing funding barriers.

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

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

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

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

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

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

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

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

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

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

1.15 administrative waivers.

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

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

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

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

1.20 on upstream, prevention-oriented supports and interventions.

1.21 Subd. 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. **Evaluation and report.** The counties shall work with a third-party evaluator  
2.12 to establish a random sample to evaluate the effectiveness of the pilot program. Pilot program  
2.13 counties shall report back to the legislature each year by February 1 with an update on the  
2.14 progress of the pilot program. The final report on the pilot program is due January 1, 2021.