

362.16 **ARTICLE 8**

362.17 **ECONOMIC SUPPORTS**

362.18 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 15, is amended to read:

362.19 Subd. 15. **Income.** "Income" means earned income as defined under section 256P.01,

362.20 subdivision 3, unearned income as defined under section 256P.01, subdivision 8, and public

362.21 assistance cash benefits, including the Minnesota family investment program, diversionary

362.22 work program, work benefit, Minnesota supplemental aid, general assistance, refugee cash

362.23 assistance, at-home infant child care subsidy payments, and child support and maintenance

362.24 distributed to ~~the~~ a family under section 256.741, subdivision 2a, and nonrecurring income

362.25 over \$60 per quarter unless earmarked and used for the purpose for which it was intended.

362.26 The following are deducted from income: funds used to pay for health insurance premiums

362.27 for family members, and child or spousal support paid to or on behalf of a person or persons

362.28 who live outside of the household. Income sources that are not included in this subdivision

362.29 and section 256P.06, subdivision 3, are not counted as income.

362.30 **EFFECTIVE DATE.** This section is effective March 1, 2023.

363.1 Sec. 2. Minnesota Statutes 2020, section 119B.025, subdivision 4, is amended to read:

363.2 Subd. 4. **Changes in eligibility.** (a) The county shall process a change in eligibility

363.3 factors according to paragraphs (b) to (g).

363.4 (b) A family is subject to the reporting requirements in section 256P.07, subdivision 6.

363.5 (c) If a family reports a change or a change is known to the agency before the family's

363.6 regularly scheduled redetermination, the county must act on the change. The commissioner

363.7 shall establish standards for verifying a change.

363.8 (d) A change in income occurs on the day the participant received the first payment

363.9 reflecting the change in income.

363.10 (e) During a family's 12-month eligibility period, if the family's income increases and

363.11 remains at or below 85 percent of the state median income, adjusted for family size, there

363.12 is no change to the family's eligibility. The county shall not request verification of the

363.13 change. The co-payment fee shall not increase during the remaining portion of the family's

363.14 12-month eligibility period.

363.15 (f) During a family's 12-month eligibility period, if the family's income increases and

363.16 exceeds 85 percent of the state median income, adjusted for family size, the family is not

363.17 eligible for child care assistance. The family must be given 15 calendar days to provide

363.18 verification of the change. If the required verification is not returned or confirms ineligibility,

363.19 the family's eligibility ends following a subsequent 15-day adverse action notice.

363.20 (g) Notwithstanding Minnesota Rules, parts 3400.0040, subpart 3, and 3400.0170,

363.21 subpart 1, if an applicant or participant reports that employment ended, the agency may

258.9 **ARTICLE 9**

258.10 **ECONOMIC SUPPORTS**

363.22 accept a signed statement from the applicant or participant as verification that employment
 363.23 ended.

363.24 **EFFECTIVE DATE.** This section is effective March 1, 2023.

391.8 Sec. 3. Minnesota Statutes 2020, section 119B.09, subdivision 4, is amended to read:

391.9 Subd. 4. **Eligibility; annual income; calculation.** (a) Annual income of the applicant
 391.10 family is the current monthly income of the family multiplied by 12 or the income for the
 391.11 12-month period immediately preceding the date of application, or income calculated by
 391.12 the method which provides the most accurate assessment of income available to the family.

391.13 (b) Self-employment income must be calculated based on gross receipts less operating
 391.14 expenses.

391.15 (c) Income changes are processed under section 119B.025, subdivision 4. Included lump
 391.16 sums counted as income under section ~~256P.06, subdivision 3~~ 119B.011, subdivision 15,
 391.17 must be annualized over 12 months. Income must be verified with documentary evidence.
 391.18 If the applicant does not have sufficient evidence of income, verification must be obtained
 391.19 from the source of the income.

391.20 **EFFECTIVE DATE.** This section is effective March 1, 2023.

258.11 Section 1. Minnesota Statutes 2020, section 119B.09, subdivision 4, is amended to read:

258.12 Subd. 4. **Eligibility; annual income; calculation.** (a) Annual income of the applicant
 258.13 family is the current monthly income of the family multiplied by 12 or the income for the
 258.14 12-month period immediately preceding the date of application, or income calculated by
 258.15 the method which provides the most accurate assessment of income available to the family.

258.16 (b) Self-employment income must be calculated based on gross receipts less operating
 258.17 expenses section 256P.05, subdivision 2.

258.18 (c) Income changes are processed under section 119B.025, subdivision 4. Included lump
 258.19 sums counted as income under section 256P.06, subdivision 3, must be annualized over 12
 258.20 months. Income must be verified with documentary evidence. If the applicant does not have
 258.21 sufficient evidence of income, verification must be obtained from the source of the income.

258.22 **EFFECTIVE DATE.** This section is effective May 1, 2022.

258.23 Sec. 2. Minnesota Statutes 2020, section 252.27, subdivision 2a, is amended to read:

258.24 Subd. 2a. **Contribution amount.** (a) The natural or adoptive parents of a minor child,
 258.25 not including a child determined eligible for medical assistance without consideration of
 258.26 parental income under the TEFRA option or for the purposes of accessing home and
 258.27 community-based waiver services, must contribute to the cost of services used by making
 258.28 monthly payments on a sliding scale based on income, unless the child is married or has
 258.29 been married, parental rights have been terminated, or the child's adoption is subsidized
 258.30 according to chapter 259A or through title IV-E of the Social Security Act. The parental
 258.31 contribution is a partial or full payment for medical services provided for diagnostic,
 259.1 therapeutic, curing, treating, mitigating, rehabilitation, maintenance, and personal care
 259.2 services as defined in United States Code, title 26, section 213, needed by the child with a
 259.3 chronic illness or disability.

259.4 (b) For households with adjusted gross income equal to or greater than 275 percent of
 259.5 federal poverty guidelines, the parental contribution shall be computed by applying the
 259.6 following schedule of rates to the adjusted gross income of the natural or adoptive parents:

259.7 (1) if the adjusted gross income is equal to or greater than 275 percent of federal poverty
 259.8 guidelines and less than or equal to 545 percent of federal poverty guidelines, the parental
 259.9 contribution shall be determined using a sliding fee scale established by the commissioner
 259.10 of human services which begins at 1.65 percent of adjusted gross income at 275 percent of
 259.11 federal poverty guidelines and increases to 4.5 percent of adjusted gross income for those
 259.12 with adjusted gross income up to 545 percent of federal poverty guidelines;

259.13 (2) if the adjusted gross income is greater than 545 percent of federal poverty guidelines
 259.14 and less than 675 percent of federal poverty guidelines, the parental contribution shall be
 259.15 4.5 percent of adjusted gross income;

259.16 (3) if the adjusted gross income is equal to or greater than 675 percent of federal poverty
 259.17 guidelines and less than 975 percent of federal poverty guidelines, the parental contribution
 259.18 shall be determined using a sliding fee scale established by the commissioner of human
 259.19 services which begins at 4.5 percent of adjusted gross income at 675 percent of federal
 259.20 poverty guidelines and increases to 5.99 percent of adjusted gross income for those with
 259.21 adjusted gross income up to 975 percent of federal poverty guidelines; and

259.22 (4) if the adjusted gross income is equal to or greater than 975 percent of federal poverty
 259.23 guidelines, the parental contribution shall be 7.49 percent of adjusted gross income.

259.24 If the child lives with the parent, the annual adjusted gross income is reduced by \$2,400
 259.25 prior to calculating the parental contribution. If the child resides in an institution specified
 259.26 in section 256B.35, the parent is responsible for the personal needs allowance specified
 259.27 under that section in addition to the parental contribution determined under this section.
 259.28 The parental contribution is reduced by any amount required to be paid directly to the child
 259.29 pursuant to a court order, but only if actually paid.

259.30 (c) The household size to be used in determining the amount of contribution under
 259.31 paragraph (b) includes natural and adoptive parents and their dependents, including the
 259.32 child receiving services. Adjustments in the contribution amount due to annual changes in
 259.33 the federal poverty guidelines shall be implemented on the first day of July following
 259.34 publication of the changes.

260.1 (d) For purposes of paragraph (b), "income" means the adjusted gross income of the
 260.2 natural or adoptive parents determined according to the previous year's federal tax form,
 260.3 except, effective retroactive to July 1, 2003, taxable capital gains to the extent the funds
 260.4 have been used to purchase a home shall not be counted as income.

260.5 (e) The contribution shall be explained in writing to the parents at the time eligibility
 260.6 for services is being determined. The contribution shall be made on a monthly basis effective
 260.7 with the first month in which the child receives services. Annually upon redetermination
 260.8 or at termination of eligibility, if the contribution exceeded the cost of services provided,
 260.9 the local agency or the state shall reimburse that excess amount to the parents, either by
 260.10 direct reimbursement if the parent is no longer required to pay a contribution, or by a
 260.11 reduction in or waiver of parental fees until the excess amount is exhausted. All
 260.12 reimbursements must include a notice that the amount reimbursed may be taxable income
 260.13 if the parent paid for the parent's fees through an employer's health care flexible spending
 260.14 account under the Internal Revenue Code, section 125, and that the parent is responsible
 260.15 for paying the taxes owed on the amount reimbursed.

260.16 (f) The monthly contribution amount must be reviewed at least every 12 months; when
 260.17 there is a change in household size; and when there is a loss of or gain in income from one

260.18 month to another in excess of ten percent. The local agency shall mail a written notice 30
 260.19 days in advance of the effective date of a change in the contribution amount. A decrease in
 260.20 the contribution amount is effective in the month that the parent verifies a reduction in
 260.21 income or change in household size.

260.22 (g) Parents of a minor child who do not live with each other shall each pay the
 260.23 contribution required under paragraph (a). An amount equal to the annual court-ordered
 260.24 child support payment actually paid on behalf of the child receiving services shall be deducted
 260.25 from the adjusted gross income of the parent making the payment prior to calculating the
 260.26 parental contribution under paragraph (b).

260.27 (h) The contribution under paragraph (b) shall be increased by an additional five percent
 260.28 if the local agency determines that insurance coverage is available but not obtained for the
 260.29 child. For purposes of this section, "available" means the insurance is a benefit of employment
 260.30 for a family member at an annual cost of no more than five percent of the family's annual
 260.31 income. For purposes of this section, "insurance" means health and accident insurance
 260.32 coverage, enrollment in a nonprofit health service plan, health maintenance organization,
 260.33 self-insured plan, or preferred provider organization.

261.1 Parents who have more than one child receiving services shall not be required to pay
 261.2 more than the amount for the child with the highest expenditures. There shall be no resource
 261.3 contribution from the parents. The parent shall not be required to pay a contribution in
 261.4 excess of the cost of the services provided to the child, not counting payments made to
 261.5 school districts for education-related services. Notice of an increase in fee payment must
 261.6 be given at least 30 days before the increased fee is due.

261.7 (i) The contribution under paragraph (b) shall be reduced by \$300 per fiscal year if, in
 261.8 the 12 months prior to July 1:

261.9 (1) the parent applied for insurance for the child;

261.10 (2) the insurer denied insurance;

261.11 (3) the parents submitted a complaint or appeal, in writing to the insurer, submitted a
 261.12 complaint or appeal, in writing, to the commissioner of health or the commissioner of
 261.13 commerce, or litigated the complaint or appeal; and

261.14 (4) as a result of the dispute, the insurer reversed its decision and granted insurance.

261.15 For purposes of this section, "insurance" has the meaning given in paragraph (h).

261.16 A parent who has requested a reduction in the contribution amount under this paragraph
 261.17 shall submit proof in the form and manner prescribed by the commissioner or county agency,
 261.18 including, but not limited to, the insurer's denial of insurance, the written letter or complaint
 261.19 of the parents, court documents, and the written response of the insurer approving insurance.
 261.20 The determinations of the commissioner or county agency under this paragraph are not rules
 261.21 subject to chapter 14.

363.25 Sec. 3. Minnesota Statutes 2020, section 256D.03, is amended by adding a subdivision to
363.26 read:

363.27 Subd. 2b. **Budgeting and reporting.** County agencies shall determine eligibility and
363.28 calculate benefit amounts for general assistance according to the provisions in sections
363.29 256P.06, 256P.07, 256P.09, and 256P.10.

363.30 **EFFECTIVE DATE.** This section is effective March 1, 2023.

364.1 Sec. 4. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
364.2 to read:

364.3 Subd. 20. **SNAP employment and training.** The commissioner shall implement a
364.4 Supplemental Nutrition Assistance Program (SNAP) employment and training program
364.5 that meets the SNAP employment and training participation requirements of the United
364.6 States Department of Agriculture governed by Code of Federal Regulations, title 7, section
364.7 273.7. The commissioner shall operate a SNAP employment and training program in which
364.8 SNAP recipients elect to participate. In order to receive SNAP assistance beyond the time

261.22 Sec. 3. Minnesota Statutes 2020, section 256B.14, subdivision 2, is amended to read:

261.23 Subd. 2. **Actions to obtain payment.** The state agency shall promulgate rules to
261.24 determine the ability of responsible relatives to contribute partial or complete payment or
261.25 repayment of medical assistance furnished to recipients for whom they are responsible. All
261.26 medical assistance exclusions shall be allowed, and a resource limit of \$10,000 for
261.27 nonexcluded resources shall be implemented. Above these limits, a contribution of one-third
261.28 of the excess resources shall be required. These rules shall not require payment or repayment
261.29 when payment would cause undue hardship to the responsible relative or that relative's
261.30 immediate family. These rules shall be consistent with the requirements of section 252.27
261.31 for not apply to parents of children whose eligibility for medical assistance was determined
261.32 without deeming of the parents' resources and income under the TEFRA option or for the
261.33 purposes of accessing home and community-based waiver services. The county agency
262.1 shall give the responsible relative notice of the amount of the payment or repayment. If the
262.2 state agency or county agency finds that notice of the payment obligation was given to the
262.3 responsible relative, but that the relative failed or refused to pay, a cause of action exists
262.4 against the responsible relative for that portion of medical assistance granted after notice
262.5 was given to the responsible relative, which the relative was determined to be able to pay.

262.6 The action may be brought by the state agency or the county agency in the county where
262.7 assistance was granted, for the assistance, together with the costs of disbursements incurred
262.8 due to the action.

262.9 In addition to granting the county or state agency a money judgment, the court may,
262.10 upon a motion or order to show cause, order continuing contributions by a responsible
262.11 relative found able to repay the county or state agency. The order shall be effective only
262.12 for the period of time during which the recipient receives medical assistance from the county
262.13 or state agency.

262.14 Sec. 4. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
262.15 to read:

262.16 Subd. 20. **SNAP employment and training.** The commissioner shall implement a
262.17 Supplemental Nutrition Assistance Program (SNAP) employment and training program
262.18 that meets the SNAP employment and training participation requirements of the United
262.19 States Department of Agriculture governed by Code of Federal Regulations, title 7, section
262.20 273.7. The commissioner shall operate a SNAP employment and training program in which
262.21 SNAP recipients elect to participate. In order to receive SNAP assistance beyond the time

364.9 limit, unless residing in an area covered by a time-limit waiver governed by Code of Federal
 364.10 Regulations, title 7, section 273.24, nonexempt SNAP recipients who do not meet federal
 364.11 SNAP work requirements must participate in an employment and training program. In
 364.12 addition to county and tribal agencies that administer SNAP, the commissioner may contract
 364.13 with third-party providers for SNAP employment and training services.

364.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

364.15 Sec. 5. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 364.16 to read:

364.17 Subd. 21. **County and tribal agency duties.** County or tribal agencies that administer
 364.18 SNAP shall inform adult SNAP recipients about employment and training services and
 364.19 providers in the recipient's area. County or tribal agencies that administer SNAP may elect
 364.20 to subcontract with a public or private entity approved by the commissioner to provide
 364.21 SNAP employment and training services.

364.22 **EFFECTIVE DATE.** This section is effective August 1, 2021.

364.23 Sec. 6. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 364.24 to read:

364.25 Subd. 22. **Duties of commissioner.** In addition to any other duties imposed by law, the
 364.26 commissioner shall:

364.27 (1) supervise the administration of SNAP employment and training services to county,
 364.28 tribal, and contracted agencies under this section and Code of Federal Regulations, title 7,
 364.29 section 273.7;

364.30 (2) disburse money allocated and reimbursed for SNAP employment and training services
 364.31 to county, tribal, and contracted agencies;

365.1 (3) accept and supervise the disbursement of any funds that may be provided by the
 365.2 federal government or other sources for SNAP employment and training services;

365.3 (4) cooperate with other agencies, including any federal agency or agency of another
 365.4 state, in all matters concerning the powers and duties of the commissioner under this section;

365.5 (5) coordinate with the commissioner of employment and economic development to
 365.6 deliver employment and training services statewide;

365.7 (6) work in partnership with counties, tribes, and other agencies to enhance the reach
 365.8 and services of a statewide SNAP employment and training program; and

365.9 (7) identify eligible nonfederal funds to earn federal reimbursement for SNAP
 365.10 employment and training services.

365.11 **EFFECTIVE DATE.** This section is effective August 1, 2021.

262.22 limit, unless residing in an area covered by a time-limit waiver governed by Code of Federal
 262.23 Regulations, title 7, section 273.24, nonexempt SNAP recipients who do not meet federal
 262.24 SNAP work requirements must participate in an employment and training program. In
 262.25 addition to county and Tribal agencies that administer SNAP, the commissioner may contract
 262.26 with third-party providers for SNAP employment and training services.

262.27 **EFFECTIVE DATE.** This section is effective August 1, 2021.

262.28 Sec. 5. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 262.29 to read:

262.30 Subd. 21. **County and Tribal agency duties.** County or Tribal agencies that administer
 262.31 SNAP shall inform adult SNAP recipients about employment and training services and
 262.32 providers in the recipient's area. County or Tribal agencies that administer SNAP may elect
 263.1 to subcontract with a public or private entity approved by the commissioner to provide
 263.2 SNAP employment and training services.

263.3 **EFFECTIVE DATE.** This section is effective August 1, 2021.

263.4 Sec. 6. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 263.5 to read:

263.6 Subd. 22. **Duties of commissioner.** In addition to any other duties imposed by law, the
 263.7 commissioner shall:

263.8 (1) supervise the administration of SNAP employment and training services to county,
 263.9 Tribal, and contracted agencies under this section and Code of Federal Regulations, title 7,
 263.10 section 273.7;

263.11 (2) disburse money allocated and reimbursed for SNAP employment and training services
 263.12 to county, Tribal, and contracted agencies;

263.13 (3) accept and supervise the disbursement of any funds that may be provided by the
 263.14 federal government or other sources for SNAP employment and training services;

263.15 (4) cooperate with other agencies, including any federal agency or agency of another
 263.16 state, in all matters concerning the powers and duties of the commissioner under this section;

263.17 (5) coordinate with the commissioner of employment and economic development to
 263.18 deliver employment and training services statewide;

263.19 (6) work in partnership with counties, tribes, and other agencies to enhance the reach
 263.20 and services of a statewide SNAP employment and training program; and

263.21 (7) identify eligible nonfederal funds to earn federal reimbursement for SNAP
 263.22 employment and training services.

263.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

365.12 Sec. 7. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
365.13 to read:

365.14 Subd. 23. **Recipient duties.** Unless residing in an area covered by a time-limit waiver,
365.15 nonexempt SNAP recipients must meet federal SNAP work requirements to receive SNAP
365.16 assistance beyond the time limit.

365.17 **EFFECTIVE DATE.** This section is effective August 1, 2021.

365.18 Sec. 8. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
365.19 to read:

365.20 Subd. 24. **Program funding.** (a) The United States Department of Agriculture annually
365.21 allocates SNAP employment and training funds to the commissioner of human services for
365.22 the operation of the SNAP employment and training program.

365.23 (b) The United States Department of Agriculture authorizes the disbursement of SNAP
365.24 employment and training reimbursement funds to the commissioner of human services for
365.25 the operation of the SNAP employment and training program.

365.26 (c) Except for funds allocated for state program development and administrative purposes
365.27 or designated by the United States Department of Agriculture for a specific project, the
365.28 commissioner of human services shall disburse money allocated for federal SNAP
365.29 employment and training to counties and tribes that administer SNAP based on a formula
365.30 determined by the commissioner that includes but is not limited to the county's or tribe's
365.31 proportion of adult SNAP recipients as compared to the statewide total.

366.1 (d) The commissioner of human services shall disburse federal funds that the
366.2 commissioner receives as reimbursement for SNAP employment and training costs to the
366.3 state agency, county, tribe, or contracted agency that incurred the costs being reimbursed.

366.4 (e) The commissioner of human services may reallocate unexpended money disbursed
366.5 under this section to county, tribal, or contracted agencies that demonstrate a need for
366.6 additional funds.

366.7 **EFFECTIVE DATE.** This section is effective August 1, 2021.

366.8 Sec. 9. Minnesota Statutes 2020, section 256D.0515, is amended to read:

366.9 **256D.0515 ASSET LIMITATIONS FOR SUPPLEMENTAL NUTRITION**
366.10 **ASSISTANCE PROGRAM HOUSEHOLDS.**

366.11 All Supplemental Nutrition Assistance Program (SNAP) households must be determined
366.12 eligible for the benefit discussed under section 256.029. SNAP households must demonstrate
366.13 that their gross income is equal to or less than ~~165~~ 200 percent of the federal poverty
366.14 guidelines for the same family size.

263.24 Sec. 7. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
263.25 to read:

263.26 Subd. 23. **Participant duties.** Unless residing in an area covered by a time-limit waiver,
263.27 nonexempt SNAP recipients must meet federal SNAP work requirements to receive SNAP
263.28 assistance beyond the time limit.

263.29 **EFFECTIVE DATE.** This section is effective August 1, 2021.

264.1 Sec. 8. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
264.2 to read:

264.3 Subd. 24. **Program funding.** (a) The United States Department of Agriculture annually
264.4 allocates SNAP employment and training funds to the commissioner of human services for
264.5 the operation of the SNAP employment and training program.

264.6 (b) The United States Department of Agriculture authorizes the disbursement of SNAP
264.7 employment and training reimbursement funds to the commissioner of human services for
264.8 the operation of the SNAP employment and training program.

264.9 (c) Except for funds allocated for state program development and administrative purposes
264.10 or designated by the United States Department of Agriculture for a specific project, the
264.11 commissioner of human services shall disburse money allocated for federal SNAP
264.12 employment and training to counties and tribes that administer SNAP based on a formula
264.13 determined by the commissioner that includes but is not limited to the county's or tribe's
264.14 proportion of adult SNAP recipients as compared to the statewide total.

264.15 (d) The commissioner of human services shall disburse federal funds that the
264.16 commissioner receives as reimbursement for SNAP employment and training costs to the
264.17 state agency, county, tribe, or contracted agency that incurred the costs being reimbursed.

264.18 (e) The commissioner of human services may reallocate unexpended money disbursed
264.19 under this section to county, Tribal, or contracted agencies that demonstrate a need for
264.20 additional funds.

264.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

366.15 Sec. 10. Minnesota Statutes 2020, section 256D.0516, subdivision 2, is amended to read:

366.16 Subd. 2. **SNAP reporting requirements.** The commissioner of human services shall
 366.17 implement simplified reporting as permitted under the Food and Nutrition Act of 2008, as
 366.18 amended, and the SNAP regulations in Code of Federal Regulations, title 7, part 273. SNAP
 366.19 benefit recipient households required to report periodically shall not be required to report
 366.20 more often than one time every six months. ~~This provision shall not apply to households~~
 366.21 ~~receiving food benefits under the Minnesota family investment program waiver.~~

366.22 **EFFECTIVE DATE.** This section is effective March 1, 2023.

366.23 Sec. 11. Minnesota Statutes 2020, section 256E.34, subdivision 1, is amended to read:

366.24 Subdivision 1. **Distribution of appropriation.** The commissioner must distribute funds
 366.25 appropriated to the commissioner by law for that purpose to Hunger Solutions, a statewide
 366.26 association of food shelves organized as a nonprofit corporation as defined under section
 366.27 501(c)(3) of the Internal Revenue Code of 1986, to distribute to qualifying food shelves. A
 366.28 food shelf qualifies under this section if:

264.22 Sec. 9. Minnesota Statutes 2020, section 256E.30, subdivision 2, is amended to read:

264.23 Subd. 2. **Allocation of money.** (a) State money appropriated and community service
 264.24 block grant money allotted to the state and all money transferred to the community service
 264.25 block grant from other block grants shall be allocated annually to community action agencies
 264.26 and Indian reservation governments under paragraphs (b) and (c), and to migrant and seasonal
 264.27 farmworker organizations under paragraph (d).

264.28 (b) The available annual money will provide base funding to all community action
 264.29 agencies and the Indian reservations. Base funding amounts per agency are as follows: for
 264.30 agencies with low income populations up to 1,999, \$25,000; 2,000 to 23,999, \$50,000; and
 264.31 24,000 or more, \$100,000.

265.1 (c) All remaining money of the annual money available after the base funding has been
 265.2 determined must be allocated to each agency and reservation in proportion to the size of
 265.3 the poverty level population in the agency's service area compared to the size of the poverty
 265.4 level population in the state.

265.5 (d) Allocation of money to migrant and seasonal farmworker organizations must not
 265.6 exceed three percent of the total annual money available. Base funding allocations must be
 265.7 made for all community action agencies and Indian reservations that received money under
 265.8 this subdivision, in fiscal year 1984, and for community action agencies designated under
 265.9 this section with a service area population of 35,000 or greater.

265.10 **EFFECTIVE DATE.** This section is effective July 1, 2021.

265.11 Sec. 10. Minnesota Statutes 2020, section 256E.34, subdivision 1, is amended to read:

265.12 Subdivision 1. **Distribution of appropriation.** The commissioner must distribute funds
 265.13 appropriated to the commissioner by law for that purpose to Hunger Solutions, a statewide
 265.14 association of food shelves organized as a nonprofit corporation as defined under section
 265.15 501(c)(3) of the Internal Revenue Code of 1986, to distribute to qualifying food shelves. A
 265.16 food shelf qualifies under this section if:

366.29 (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined
 366.30 in section 501(c)(3) of the Internal Revenue Code of 1986 or a federally recognized tribal
 366.31 nation;

367.1 (2) it distributes standard food orders without charge to needy individuals. The standard
 367.2 food order must consist of at least a two-day supply or six pounds per person of nutritionally
 367.3 balanced food items;

367.4 (3) it does not limit food distributions to individuals of a particular religious affiliation,
 367.5 race, or other criteria unrelated to need or to requirements necessary to administration of a
 367.6 fair and orderly distribution system;

367.7 (4) it does not use the money received or the food distribution program to foster or
 367.8 advance religious or political views; and

367.9 (5) it has a stable address and directly serves individuals.

367.10 Sec. 12. Minnesota Statutes 2020, section 256I.03, subdivision 13, is amended to read:

367.11 Subd. 13. **Prospective budgeting.** "Prospective budgeting" means estimating the amount
 367.12 of monthly income a person will have in the payment month has the meaning given in
 367.13 section 256P.01, subdivision 9.

367.14 **EFFECTIVE DATE.** This section is effective March 1, 2023.

367.15 Sec. 13. Minnesota Statutes 2020, section 256I.06, subdivision 6, is amended to read:

367.16 Subd. 6. **Reports.** Recipients must report changes in circumstances according to section
 367.17 256P.07 that affect eligibility or housing support payment amounts, other than changes in
 367.18 earned income, within ten days of the change. Recipients with countable earned income
 367.19 must complete a household report form at least once every six months according to section
 367.20 256P.10. If the report form is not received before the end of the month in which it is due,
 367.21 the county agency must terminate eligibility for housing support payments. The termination
 367.22 shall be effective on the first day of the month following the month in which the report was
 367.23 due. If a complete report is received within the month eligibility was terminated, the
 367.24 individual is considered to have continued an application for housing support payment
 367.25 effective the first day of the month the eligibility was terminated.

367.26 **EFFECTIVE DATE.** This section is effective March 1, 2023.

367.27 Sec. 14. Minnesota Statutes 2020, section 256I.06, subdivision 8, is amended to read:

367.28 Subd. 8. **Amount of housing support payment.** (a) The amount of a room and board
 367.29 payment to be made on behalf of an eligible individual is determined by subtracting the
 367.30 individual's countable income under section 256I.04, subdivision 1, for a whole calendar
 367.31 month from the room and board rate for that same month. The housing support payment is

265.17 (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined
 265.18 in section 501(c)(3) of the Internal Revenue Code of 1986 or a federally recognized Tribal
 265.19 nation;

265.20 (2) it distributes standard food orders without charge to needy individuals. The standard
 265.21 food order must consist of at least a two-day supply or six pounds per person of nutritionally
 265.22 balanced food items;

265.23 (3) it does not limit food distributions to individuals of a particular religious affiliation,
 265.24 race, or other criteria unrelated to need or to requirements necessary to administration of a
 265.25 fair and orderly distribution system;

265.26 (4) it does not use the money received or the food distribution program to foster or
 265.27 advance religious or political views; and

265.28 (5) it has a stable address and directly serves individuals.

265.29 **EFFECTIVE DATE.** This section is effective July 1, 2021.

368.1 determined by multiplying the housing support rate times the period of time the individual
368.2 was a resident or temporarily absent under section 256I.05, subdivision 1c, paragraph (d).

368.3 (b) For an individual with earned income under paragraph (a), prospective budgeting
368.4 must be used to determine the amount of the individual's payment for the following six month
368.5 period. An increase in income shall not affect an individual's eligibility or payment amount
368.6 until the month following the reporting month. A decrease in income shall be effective the
368.7 first day of the month after the month in which the decrease is reported.

368.8 ~~(c)~~ (b) For an individual who receives housing support payments under section 256I.04,
368.9 subdivision 1, paragraph (c), the amount of the housing support payment is determined by
368.10 multiplying the housing support rate times the period of time the individual was a resident.

368.11 **EFFECTIVE DATE.** This section is effective March 1, 2023.

368.12 Sec. 15. Minnesota Statutes 2020, section 256J.08, subdivision 15, is amended to read:

368.13 Subd. 15. **Countable income.** "Countable income" means earned and unearned income
368.14 that is ~~not excluded under section 256J.21, subdivision 2~~ described in section 256P.06,
368.15 subdivision 3, or disregarded under section 256J.21, subdivision 3, or section 256P.03.

368.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

368.17 Sec. 16. Minnesota Statutes 2020, section 256J.08, subdivision 71, is amended to read:

368.18 Subd. 71. **Prospective budgeting.** "Prospective budgeting" ~~means a method of~~
368.19 ~~determining the amount of the assistance payment in which the budget month and payment~~
368.20 ~~month are the same~~ has the meaning given in section 256P.01, subdivision 9.

368.21 **EFFECTIVE DATE.** This section is effective March 1, 2023.

368.22 Sec. 17. Minnesota Statutes 2020, section 256J.08, subdivision 79, is amended to read:

368.23 Subd. 79. **Recurring income.** "Recurring income" means a form of income which is:

368.24 (1) received periodically, and may be received irregularly when receipt can be anticipated
368.25 even though the date of receipt cannot be predicted; and

368.26 (2) from the same source or of the same type that is received and budgeted in a
368.27 prospective month ~~and is received in one or both of the first two retrospective months.~~

368.28 **EFFECTIVE DATE.** This section is effective March 1, 2023.

369.1 Sec. 18. Minnesota Statutes 2020, section 256J.10, is amended to read:

369.2 **256J.10 MFIP ELIGIBILITY REQUIREMENTS.**

369.3 To be eligible for MFIP, applicants must meet the general eligibility requirements in
369.4 sections 256J.11 to 256J.15, the property limitations in section 256P.02, and the income
369.5 limitations in ~~section~~ sections 256J.21 and 256P.06.

369.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

369.7 Sec. 19. Minnesota Statutes 2020, section 256J.21, subdivision 3, is amended to read:

369.8 Subd. 3. **Initial income test.** The agency shall determine initial eligibility by considering
 369.9 all earned and unearned income ~~that is not excluded under subdivision 2~~ as defined in section
 369.10 256P.06. To be eligible for MFIP, the assistance unit's countable income minus the earned
 369.11 income disregards in paragraph (a) and section 256P.03 must be below the family wage
 369.12 level according to section 256J.24, subdivision 7, for that size assistance unit.

369.13 (a) The initial eligibility determination must disregard the following items:

369.14 (1) the earned income disregard as determined in section 256P.03;

369.15 (2) dependent care costs must be deducted from gross earned income for the actual
 369.16 amount paid for dependent care up to a maximum of \$200 per month for each child less
 369.17 than two years of age, and \$175 per month for each child two years of age and older;

369.18 (3) all payments made according to a court order for spousal support or the support of
 369.19 children not living in the assistance unit's household shall be disregarded from the income
 369.20 of the person with the legal obligation to pay support; and

369.21 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child under
 369.22 the age of 21 for whom the caregiver is financially responsible and who lives with the
 369.23 caregiver according to section 256J.36.

369.24 (b) ~~After initial eligibility is established,~~ The income test is for a six-month period. The
 369.25 assistance payment calculation is based on ~~the monthly income test~~ prospective budgeting
 369.26 according to section 256P.09.

369.27 **EFFECTIVE DATE.** This section is effective August 1, 2021, except for the
 369.28 amendments in subdivision 3, paragraph (b), which are effective March 1, 2023.

370.1 Sec. 20. Minnesota Statutes 2020, section 256J.21, subdivision 4, is amended to read:

370.2 Subd. 4. **Monthly Income test and determination of assistance payment.** ~~The county~~
 370.3 ~~agency shall determine ongoing eligibility and the assistance payment amount according~~
 370.4 ~~to the monthly income test.~~ To be eligible for MFIP, the result of the computations in
 370.5 paragraphs (a) to (e) applied to prospective budgeting must be at least \$1.

370.6 (a) Apply an income disregard as defined in section 256P.03, to gross earnings and
 370.7 subtract this amount from the family wage level. If the difference is equal to or greater than
 370.8 the MFIP transitional standard, the assistance payment is equal to the MFIP transitional
 370.9 standard. If the difference is less than the MFIP transitional standard, the assistance payment
 370.10 is equal to the difference. The earned income disregard in this paragraph must be deducted
 370.11 every month there is earned income.

370.12 (b) All payments made according to a court order for spousal support or the support of
 370.13 children not living in the assistance unit's household must be disregarded from the income
 370.14 of the person with the legal obligation to pay support.

370.15 (c) An allocation for the unmet need of an ineligible spouse or an ineligible child under
 370.16 the age of 21 for whom the caregiver is financially responsible and who lives with the
 370.17 caregiver must be made according to section 256J.36.

370.18 (d) Subtract unearned income dollar for dollar from the MFIP transitional standard to
 370.19 determine the assistance payment amount.

370.20 (e) When income is both earned and unearned, the amount of the assistance payment
 370.21 must be determined by first treating gross earned income as specified in paragraph (a). After
 370.22 determining the amount of the assistance payment under paragraph (a), unearned income
 370.23 must be subtracted from that amount dollar for dollar to determine the assistance payment
 370.24 amount.

370.25 ~~(f) When the monthly income is greater than the MFIP transitional standard after~~
 370.26 ~~deductions and the income will only exceed the standard for one month, the county agency~~
 370.27 ~~must suspend the assistance payment for the payment month.~~

370.28 **EFFECTIVE DATE.** This section is effective March 1, 2023.

370.29 Sec. 21. Minnesota Statutes 2020, section 256J.21, subdivision 5, is amended to read:

370.30 Subd. 5. **Distribution of income.** (a) The income of all members of the assistance unit
 370.31 must be counted. Income may also be deemed from ineligible persons to the assistance unit.
 371.1 Income must be attributed to the person who earns it or to the assistance unit according to
 371.2 paragraphs ~~(a) to~~ (b) and (c).

371.3 ~~(a) Funds distributed from a trust, whether from the principal holdings or sale of trust~~
 371.4 ~~property or from the interest and other earnings of the trust holdings, must be considered~~
 371.5 ~~income when the income is legally available to an applicant or participant. Trusts are~~
 371.6 ~~presumed legally available unless an applicant or participant can document that the trust is~~
 371.7 ~~not legally available.~~

371.8 (b) Income from jointly owned property must be divided equally among property owners
 371.9 unless the terms of ownership provide for a different distribution.

371.10 (c) Deductions are not allowed from the gross income of a financially responsible
 371.11 household member or by the members of an assistance unit to meet a current or prior debt.

371.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

371.13 Sec. 22. Minnesota Statutes 2020, section 256J.24, subdivision 5, is amended to read:

371.14 Subd. 5. **MFIP transitional standard.** (a) The MFIP transitional standard is based on
 371.15 the number of persons in the assistance unit eligible for both food and cash assistance. The

371.16 amount of the transitional standard is published annually by the Department of Human
371.17 Services.

371.18 (b) The amount of the MFIP cash assistance portion of the transitional standard is
371.19 increased \$100 per month per household. This increase shall be reflected in the MFIP cash
371.20 assistance portion of the transitional standard published annually by the commissioner.

371.21 (c) On October 1 of each year, the commissioner of human services shall adjust the cash
371.22 assistance portion under paragraph (a) for inflation based on the CPI-U for the prior calendar
371.23 year.

371.24 **EFFECTIVE DATE.** This section is effective for the fiscal year beginning on July 1,
371.25 2021.

371.26 Sec. 23. Minnesota Statutes 2020, section 256J.30, subdivision 8, is amended to read:

371.27 Subd. 8. **Late MFIP household report forms.** (a) Paragraphs (b) to (e) apply to the
371.28 reporting requirements in subdivision 7.

371.29 (b) When the county agency receives an incomplete MFIP household report form, the
371.30 county agency must immediately ~~return the incomplete form and clearly state what the~~
372.1 ~~caregiver must do for the form to be complete~~ contact the caregiver by phone or in writing
372.2 to acquire the necessary information to complete the form.

372.3 (c) The automated eligibility system must send a notice of proposed termination of
372.4 assistance to the assistance unit if a complete MFIP household report form is not received
372.5 by a county agency. The automated notice must be mailed to the caregiver by approximately
372.6 the 16th of the month. When a caregiver submits an incomplete form on or after the date a
372.7 notice of proposed termination has been sent, the termination is valid unless the caregiver
372.8 submits a complete form before the end of the month.

372.9 (d) An assistance unit required to submit an MFIP household report form is considered
372.10 to have continued its application for assistance if a complete MFIP household report form
372.11 is received within a calendar month after the month in which the form was due and assistance
372.12 shall be paid for the period beginning with the first day of that calendar month.

372.13 (e) A county agency must allow good cause exemptions from the reporting requirements
372.14 under subdivision 5 when any of the following factors cause a caregiver to fail to provide
372.15 the county agency with a completed MFIP household report form before the end of the
372.16 month in which the form is due:

372.17 (1) an employer delays completion of employment verification;

372.18 (2) a county agency does not help a caregiver complete the MFIP household report form
372.19 when the caregiver asks for help;

372.20 (3) a caregiver does not receive an MFIP household report form due to mistake on the
372.21 part of the department or the county agency or due to a reported change in address;

267.25 Sec. 13. Minnesota Statutes 2020, section 256J.30, subdivision 8, is amended to read:

267.26 Subd. 8. **Late MFIP household report forms.** (a) Paragraphs (b) to (e) apply to the
267.27 reporting requirements in subdivision 7.

267.28 (b) When the county agency receives an incomplete MFIP household report form, the
267.29 county agency must immediately ~~return the incomplete form and clearly state what the~~
267.30 ~~caregiver must do for the form to be complete~~ contact the caregiver by phone or in writing
267.31 to acquire the necessary information to complete the form.

267.32 (c) The automated eligibility system must send a notice of proposed termination of
267.33 assistance to the assistance unit if a complete MFIP household report form is not received
268.1 by a county agency. The automated notice must be mailed to the caregiver by approximately
268.2 the 16th of the month. When a caregiver submits an incomplete form on or after the date a
268.3 notice of proposed termination has been sent, the termination is valid unless the caregiver
268.4 submits a complete form before the end of the month.

268.5 (d) An assistance unit required to submit an MFIP household report form is considered
268.6 to have continued its application for assistance if a complete MFIP household report form
268.7 is received within a calendar month after the month in which the form was due and assistance
268.8 shall be paid for the period beginning with the first day of that calendar month.

268.9 (e) A county agency must allow good cause exemptions from the reporting requirements
268.10 under subdivision 5 when any of the following factors cause a caregiver to fail to provide
268.11 the county agency with a completed MFIP household report form before the end of the
268.12 month in which the form is due:

268.13 (1) an employer delays completion of employment verification;

268.14 (2) a county agency does not help a caregiver complete the MFIP household report form
268.15 when the caregiver asks for help;

268.16 (3) a caregiver does not receive an MFIP household report form due to mistake on the
268.17 part of the department or the county agency or due to a reported change in address;

372.22 (4) a caregiver is ill, or physically or mentally incapacitated; or

372.23 (5) some other circumstance occurs that a caregiver could not avoid with reasonable
372.24 care which prevents the caregiver from providing a completed MFIP household report form
372.25 before the end of the month in which the form is due.

372.26 Sec. 24. Minnesota Statutes 2020, section 256J.33, subdivision 1, is amended to read:

372.27 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP
372.28 eligibility prospectively for a payment month based on ~~retrospectively~~ assessing income
372.29 and the county agency's best estimate of the circumstances that will exist in the payment
372.30 month.

372.31 ~~Except as described in section 256J.34, subdivision 1, when prospective eligibility exists,~~
372.32 (b) A county agency must calculate the amount of the assistance payment using ~~retrospective~~
373.1 prospective budgeting. To determine MFIP eligibility and the assistance payment amount,
373.2 a county agency must apply countable income, described in ~~section~~ sections 256P.06 and
373.3 256J.37, subdivisions 3 to ~~4~~ 9, received by members of an assistance unit or by other
373.4 persons whose income is counted for the assistance unit, described under sections ~~256J.21~~
373.5 ~~and~~ 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

373.6 (c) This income must be applied to the MFIP standard of need or family wage level
373.7 subject to this section and sections 256J.34 to 256J.36. Countable income received ~~in a~~
373.8 ~~calendar month and not otherwise excluded under section 256J.21, subdivision 2,~~ must be
373.9 applied to the needs of an assistance unit.

373.10 (d) An assistance unit is not eligible when the countable income equals or exceeds the
373.11 MFIP standard of need or the family wage level for the assistance unit.

373.12 **EFFECTIVE DATE.** Paragraph (a) is effective March 1, 2023. Paragraph (b) is effective
373.13 March 1, 2023, except the amendment striking section 256J.21 and inserting section 256P.06
373.14 is effective August 1, 2021. Paragraph (c) is effective August 1, 2021, except the amendment
373.15 striking "in a calendar month" is effective March 1, 2023. Paragraph (d) is effective March
373.16 1, 2023.

373.17 Sec. 25. Minnesota Statutes 2020, section 256J.33, subdivision 2, is amended to read:

373.18 Subd. 2. **Prospective eligibility.** An agency must determine whether the eligibility
373.19 requirements that pertain to an assistance unit, including those in sections 256J.11 to 256J.15
373.20 and 256P.02, will be met prospectively for the payment month period. ~~Except for the~~
373.21 ~~provisions in section 256J.34, subdivision 1,~~ The income test will be applied ~~retrospectively~~
373.22 prospectively.

373.23 **EFFECTIVE DATE.** This section is effective March 1, 2023.

268.18 (4) a caregiver is ill, or physically or mentally incapacitated; or

268.19 (5) some other circumstance occurs that a caregiver could not avoid with reasonable
268.20 care which prevents the caregiver from providing a completed MFIP household report form
268.21 before the end of the month in which the form is due.

268.22 **EFFECTIVE DATE.** This section is effective September 1, 2021.

373.24 Sec. 26. Minnesota Statutes 2020, section 256J.33, subdivision 4, is amended to read:

373.25 Subd. 4. **Monthly income test.** A county agency must apply the monthly income test

373.26 retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when

373.27 the countable income equals or exceeds the MFIP standard of need or the family wage level

373.28 for the assistance unit. The income applied against the monthly income test must include:

373.29 (1) gross earned income from employment as described in chapter 256P, prior to

373.30 mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after

373.31 the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;

374.1 ~~unless the employment income is specifically excluded under section 256J.21, subdivision~~

374.2 ~~2;~~

374.3 (2) gross earned income from self-employment less deductions for self-employment

374.4 expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or

374.5 business state and federal income taxes, personal FICA, personal health and life insurance,

374.6 and after the disregards in section 256J.21, subdivision 4, and the allocations in section

374.7 256J.36;

374.8 (3) unearned income as described in section 256P.06, subdivision 3, after deductions

374.9 for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36;

374.10 ~~unless the income has been specifically excluded in section 256J.21, subdivision 2;~~

374.11 (4) gross earned income from employment as determined under clause (1) which is

374.12 received by a member of an assistance unit who is a minor child or minor caregiver and

374.13 less than a half-time student;

374.14 (5) child support received by an assistance unit, excluded under ~~section 256J.21,~~

374.15 ~~subdivision 2, clause (4), or~~ section 256P.06, subdivision 3, clause (2), item (xvi);

374.16 (6) spousal support received by an assistance unit;

374.17 (7) the income of a parent when that parent is not included in the assistance unit;

374.18 (8) the income of an eligible relative and spouse who seek to be included in the assistance

374.19 unit; and

374.20 (9) the unearned income of a minor child included in the assistance unit.

374.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

268.23 Sec. 14. Minnesota Statutes 2020, section 256J.35, is amended to read:

268.24 **256J.35 AMOUNT OF ASSISTANCE PAYMENT.**

268.25 Except as provided in paragraphs (a) to (d), the amount of an assistance payment is equal

268.26 to the difference between the MFIP standard of need or the Minnesota family wage level

268.27 in section 256J.24 and countable income.

374.22 Sec. 27. Minnesota Statutes 2020, section 256J.37, subdivision 1, is amended to read:

374.23 Subdivision 1. **Deemed income from ineligible assistance unit members.** The income
374.24 of ineligible assistance unit members, except individuals identified in section 256J.24,
374.25 subdivision 3, paragraph (a), clause (1), must be deemed after allowing the following
374.26 disregards:

374.27 (1) an earned income disregard as determined under section 256P.03;

374.28 (2) all payments made by the ineligible person according to a court order for spousal
374.29 support or the support of children not living in the assistance unit's household; and

374.30 (3) an amount for the unmet needs of the ineligible persons who live in the household
374.31 who, if eligible, would be assistance unit members under section 256J.24, subdivision 2 or
375.1 4, paragraph (b). This amount is equal to the difference between the MFIP transitional
375.2 standard when the ineligible persons are included in the assistance unit and the MFIP
375.3 transitional standard when the ineligible persons are not included in the assistance unit.

375.4 **EFFECTIVE DATE.** This section is effective August 1, 2021.

375.5 Sec. 28. Minnesota Statutes 2020, section 256J.37, subdivision 1b, is amended to read:

375.6 Subd. 1b. **Deemed income from parents of minor caregivers.** In households where
375.7 minor caregivers live with a parent or parents or a stepparent who do not receive MFIP for
375.8 themselves or their minor children, the income of the parents or a stepparent must be deemed
375.9 after allowing the following disregards:

268.28 (a) Beginning July 1, 2015, MFIP assistance units are eligible for an MFIP housing
268.29 assistance grant of ~~\$140~~ \$150 per month, unless:

269.1 (1) the housing assistance unit is currently receiving public and assisted rental subsidies
269.2 provided through the Department of Housing and Urban Development (HUD) and is subject
269.3 to section 256J.37, subdivision 3a; or

269.4 (2) the assistance unit is a child-only case under section 256J.88.

269.5 (b) When MFIP eligibility exists for the month of application, the amount of the assistance
269.6 payment for the month of application must be prorated from the date of application or the
269.7 date all other eligibility factors are met for that applicant, whichever is later. This provision
269.8 applies when an applicant loses at least one day of MFIP eligibility.

269.9 (c) MFIP overpayments to an assistance unit must be recouped according to section
269.10 256P.08, subdivision 6.

269.11 (d) An initial assistance payment must not be made to an applicant who is not eligible
269.12 on the date payment is made.

269.13 **EFFECTIVE DATE.** This section is effective July 1, 2021.

375.10 (1) income of the parents equal to 200 percent of the federal poverty guideline for a
 375.11 family size not including the minor parent and the minor parent's child in the household
 375.12 according to section 256J.21, subdivision 2, clause (43); and

375.13 (2) all payments made by parents according to a court order for spousal support or the
 375.14 support of children not living in the parent's household.

375.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

375.16 Sec. 29. Minnesota Statutes 2020, section 256J.37, subdivision 3, is amended to read:

375.17 Subd. 3. **Earned income of wage, salary, and contractual employees.** The agency
 375.18 must include gross earned income less any disregards in the initial ~~and monthly~~ income
 375.19 test. Gross earned income received by persons employed on a contractual basis must be
 375.20 prorated over the period covered by the contract even when payments are received over a
 375.21 lesser period of time.

375.22 **EFFECTIVE DATE.** This section is effective March 1, 2023.

375.23 Sec. 30. Minnesota Statutes 2020, section 256J.37, subdivision 3a, is amended to read:

375.24 Subd. 3a. **Rental subsidies; unearned income.** (a) Effective July 1, 2003, the agency
 375.25 shall count \$50 of the value of public and assisted rental subsidies provided through the
 375.26 Department of Housing and Urban Development (HUD) as unearned income to the cash
 375.27 portion of the MFIP grant. The full amount of the subsidy must be counted as unearned
 375.28 income when the subsidy is less than \$50. The income from this subsidy shall be budgeted
 375.29 according to section ~~256J.34~~ 256P.09.

375.30 (b) The provisions of this subdivision shall not apply to an MFIP assistance unit which
 375.31 includes a participant who is:

376.1 (1) age 60 or older;

376.2 (2) a caregiver who is suffering from an illness, injury, or incapacity that has been
 376.3 certified by a qualified professional when the illness, injury, or incapacity is expected to
 376.4 continue for more than 30 days and severely limits the person's ability to obtain or maintain
 376.5 suitable employment; or

376.6 (3) a caregiver whose presence in the home is required due to the illness or incapacity
 376.7 of another member in the assistance unit, a relative in the household, or a foster child in the
 376.8 household when the illness or incapacity and the need for the participant's presence in the
 376.9 home has been certified by a qualified professional and is expected to continue for more
 376.10 than 30 days.

376.11 (c) The provisions of this subdivision shall not apply to an MFIP assistance unit where
 376.12 the parental caregiver is an SSI participant.

376.13 **EFFECTIVE DATE.** This section is effective March 1, 2023.

376.14 Sec. 31. Minnesota Statutes 2020, section 256J.626, subdivision 1, is amended to read:

376.15 Subdivision 1. **Consolidated fund.** The consolidated fund is established to support
 376.16 counties and tribes in meeting their duties under this chapter. Counties and tribes must use
 376.17 funds from the consolidated fund to develop programs and services that are designed to
 376.18 improve participant outcomes as measured in section 256J.751, subdivision 2. Counties and
 376.19 tribes that administer MFIP eligibility may use the funds for any allowable expenditures
 376.20 under subdivision 2, including case management. Tribes that do not administer MFIP
 376.21 eligibility may use the funds for any allowable expenditures under subdivision 2, including
 376.22 case management, except those in subdivision 2, paragraph (a), clauses (1) and (6). All
 376.23 payments made through the MFIP consolidated fund to support a caregiver's pursuit of
 376.24 greater economic stability does not count when determining a family's available income.

376.25 Sec. 32. Minnesota Statutes 2020, section 256J.95, subdivision 9, is amended to read:

376.26 Subd. 9. **Property and income limitations.** The asset limits and exclusions in section
 376.27 256P.02 apply to applicants and participants of DWP. All payments, unless excluded in
 376.28 section 256J.21 as described in section 256P.06, subdivision 3, must be counted as income
 376.29 to determine eligibility for the diversionary work program. The agency shall treat income
 376.30 as outlined in section 256J.37, except for subdivision 3a. The initial income test and the
 376.31 disregards in section 256J.21, subdivision 3, shall be followed for determining eligibility
 376.32 for the diversionary work program.

377.1 **EFFECTIVE DATE.** This section is effective August 1, 2021.

377.2 Sec. 33. Minnesota Statutes 2020, section 256P.01, subdivision 3, is amended to read:

377.3 Subd. 3. **Earned income.** "Earned income" means cash or in-kind income earned through
 377.4 the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment
 377.5 activities, net profit from self-employment activities, payments made by an employer for
 377.6 regularly accrued vacation or sick leave, severance pay based on accrued leave time,
 377.7 payments from training programs at a rate at or greater than the state's minimum wage,
 377.8 royalties, honoraria, or other profit from activity that results from the client's work, service,
 377.9 effort, or labor for purposes other than student financial assistance, rehabilitation programs,
 377.10 student training programs, or service programs such as AmeriCorps. The income must be
 377.11 in return for, or as a result of, legal activity.

377.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

377.13 Sec. 34. Minnesota Statutes 2020, section 256P.01, is amended by adding a subdivision
 377.14 to read:

377.15 Subd. 9. **Prospective budgeting.** "Prospective budgeting" means estimating the amount
 377.16 of monthly income that an assistance unit will have in the payment month.

269.26 Sec. 16. Minnesota Statutes 2020, section 256J.626, subdivision 1, is amended to read:

269.27 Subdivision 1. **Consolidated fund.** The consolidated fund is established to support
 269.28 counties and tribes in meeting their duties under this chapter. Counties and tribes must use
 269.29 funds from the consolidated fund to develop programs and services that are designed to
 269.30 improve participant outcomes as measured in section 256J.751, subdivision 2. Counties and
 269.31 tribes that administer MFIP eligibility may use the funds for any allowable expenditures
 270.1 under subdivision 2, including case management. Tribes that do not administer MFIP
 270.2 eligibility may use the funds for any allowable expenditures under subdivision 2, including
 270.3 case management, except those in subdivision 2, paragraph (a), clauses (1) and (6). All
 270.4 payments made through the MFIP consolidated fund to support a caregiver's pursuit of
 270.5 greater economic stability does not count when determining a family's available income.

270.6 **EFFECTIVE DATE.** This section is effective July 1, 2021.

377.17 **EFFECTIVE DATE.** This section is effective March 1, 2023.

377.18 Sec. 35. Minnesota Statutes 2020, section 256P.04, subdivision 4, is amended to read:

377.19 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

377.20 (1) identity of adults;

377.21 (2) age, if necessary to determine eligibility;

377.22 (3) immigration status;

377.23 (4) income;

377.24 (5) spousal support and child support payments made to persons outside the household;

377.25 (6) vehicles;

377.26 (7) checking and savings accounts;

377.27 (8) inconsistent information, if related to eligibility;

281.1 Sec. 30. Minnesota Statutes 2020, section 256P.02, subdivision 1a, is amended to read:

281.2 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under

281.3 chapter 119B are exempt from this section, except that the personal property identified in

281.4 subdivision 2 is counted toward the asset limit of the child care assistance program under

281.5 chapter 119B.

281.6 **EFFECTIVE DATE.** This section is effective May 1, 2022.

281.7 Sec. 31. Minnesota Statutes 2020, section 256P.02, subdivision 2, is amended to read:

281.8 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal

281.9 property listed in clauses (1) to ~~(4)~~ (5) must not exceed \$10,000 for applicants and

281.10 participants. For purposes of this subdivision, personal property is limited to:

281.11 (1) cash;

281.12 (2) bank accounts;

281.13 (3) liquid stocks and bonds that can be readily accessed without a financial penalty; ~~and~~

281.14 (4) vehicles not excluded under subdivision 3-; and

281.15 (5) the full value of business accounts used to pay expenses not related to the business.

281.16 **EFFECTIVE DATE.** This section is effective May 1, 2022.

281.17 Sec. 32. Minnesota Statutes 2020, section 256P.04, subdivision 4, is amended to read:

281.18 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

281.19 (1) identity of adults;

281.20 (2) age, if necessary to determine eligibility;

281.21 (3) immigration status;

281.22 (4) income;

281.23 (5) spousal support and child support payments made to persons outside the household;

281.24 (6) vehicles;

281.25 (7) checking and savings accounts, including but not limited to any business accounts

281.26 used to pay expenses not related to the business;

281.27 (8) inconsistent information, if related to eligibility;

377.28 (9) residence; and

377.29 (10) Social Security number; and.

378.1 ~~(11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item~~

378.2 ~~(ix), for the intended purpose for which it was given and received.~~

378.3 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined

378.4 under section 256J.08, subdivision 73, ~~clause (7)~~ clauses (8) and (9), are not required to

378.5 verify the information in paragraph (a), clause (10). When a Social Security number is not

378.6 provided to the agency for verification, this requirement is satisfied when each member of

378.7 the assistance unit cooperates with the procedures for verification of Social Security numbers,

378.8 issuance of duplicate cards, and issuance of new numbers which have been established

378.9 jointly between the Social Security Administration and the commissioner.

378.10 **EFFECTIVE DATE.** This section is effective March 1, 2023, except for paragraph (b),

378.11 which is effective July 1, 2021.

378.12 Sec. 36. Minnesota Statutes 2020, section 256P.04, subdivision 8, is amended to read:

378.13 Subd. 8. **Recertification.** The agency shall recertify eligibility in an annual interview

378.14 with the participant. The interview may be conducted by telephone, by Internet telepresence,

378.15 or face to face in the county office or in another location mutually agreed upon. A participant

378.16 must be given the option of a telephone interview or Internet telepresence to recertify

378.17 eligibility annually. During the interview recertification and reporting under section 256P.10,

378.18 the agency shall verify the following:

378.19 (1) income, unless excluded, including self-employment earnings;

378.20 (2) assets when the value is within \$200 of the asset limit; and

378.21 (3) inconsistent information, if related to eligibility.

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

281.28 (9) residence;

282.1 (10) Social Security number; and

282.2 (11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item

282.3 (ix), for the intended purpose for which it was given and received.

282.4 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined

282.5 under section 256J.08, subdivision 73, clause (7), are not required to verify the information

282.6 in paragraph (a), clause (10). When a Social Security number is not provided to the agency

282.7 for verification, this requirement is satisfied when each member of the assistance unit

282.8 cooperates with the procedures for verification of Social Security numbers, issuance of

282.9 duplicate cards, and issuance of new numbers which have been established jointly between

282.10 the Social Security Administration and the commissioner.

282.11 **EFFECTIVE DATE.** This section is effective May 1, 2022.

282.12 Sec. 33. Minnesota Statutes 2020, section 256P.05, is amended to read:

282.13 **256P.05 SELF-EMPLOYMENT EARNINGS.**

282.14 Subdivision 1. **Exempted programs.** Participants who qualify for child care assistance

282.15 programs under chapter 119B; Minnesota supplemental aid under chapter 256D; and housing

282.16 support under chapter 256I on the basis of eligibility for Supplemental Security Income are

282.17 exempt from this section. Participants who qualify for child care assistance programs under

282.18 chapter 119B are exempt from subdivision 3.

282.19 Subd. 2. **Self-employment income determinations.** Applicants and participants must

282.20 choose one of the methods described in this subdivision for determining self-employment

282.21 earned income. An agency must determine self-employment income, which is either:

378.23 Sec. 37. Minnesota Statutes 2020, section 256P.06, subdivision 2, is amended to read:

378.24 Subd. 2. **Exempted individuals Exemptions.** (a) The following members of an assistance
378.25 unit under chapters 119B and 256J are exempt from having their earned income count
378.26 ~~towards~~ toward the income of an assistance unit:

378.27 (1) children under six years old;

378.28 (2) caregivers under 20 years of age enrolled at least half-time in school; and

378.29 (3) minors enrolled in school full time.

379.1 (b) The following members of an assistance unit are exempt from having their earned
379.2 and unearned income count ~~towards~~ toward the income of an assistance unit for 12
379.3 consecutive calendar months, beginning the month following the marriage date, for benefits
379.4 under chapter 256J if the household income does not exceed 275 percent of the federal
379.5 poverty guideline:

379.6 (1) a new spouse to a caretaker in an existing assistance unit; and

379.7 (2) the spouse designated by a newly married couple, both of whom were already
379.8 members of an assistance unit under chapter 256J.

282.22 (1) one-half of gross earnings from self-employment; or

282.23 (2) taxable income as determined from an Internal Revenue Service tax form that has
282.24 been filed with the Internal Revenue Service ~~within the last~~ for the most recent year and
282.25 according to guidance provided for the Supplemental Nutrition Assistance Program. A
282.26 12-month average using ~~net~~ taxable income shall be used to budget monthly income.

282.27 Subd. 3. **Self-employment budgeting.** (a) The self-employment budget period begins
282.28 in the month of application or in the first month of self-employment. Applicants and
282.29 participants must choose one of the methods described in subdivision 2 for determining
282.30 self-employment earned income.

282.31 (b) Applicants and participants who elect to use taxable income as described in
282.32 subdivision 2, clause (2), to determine self-employment income must continue to use this
283.1 method until recertification, unless there is an unforeseen significant change in gross income
283.2 equaling a decline in gross income of the amount equal to or greater than the earned income
283.3 disregard as defined in section 256P.03 from the income used to determine the benefit for
283.4 the current month.

283.5 (c) For applicants and participants who elect to use one-half of gross earnings as described
283.6 in subdivision 2, clause (1), to determine self-employment income, earnings must be counted
283.7 as income in the month received.

283.8 **EFFECTIVE DATE.** This section is effective May 1, 2022.

379.9 (c) If members identified in paragraph (b) also receive assistance under section 119B.05,
379.10 they are exempt from having their earned and unearned income count ~~towards~~ toward the
379.11 income of the assistance unit if the household income prior to the exemption does not exceed
379.12 67 percent of the state median income for recipients for 26 consecutive biweekly periods
379.13 beginning the second biweekly period after the marriage date.

379.14 (d) For individuals who are members of an assistance unit under chapters 256I and 256J,
379.15 the assistance standard effective in January 2020 for a household of one under chapter 256J
379.16 shall be counted as income under chapter 256I, and any subsequent increases to unearned
379.17 income under chapter 256J shall be exempt.

379.18 Sec. 38. Minnesota Statutes 2020, section 256P.06, subdivision 3, is amended to read:

379.19 Subd. 3. **Income inclusions.** The following must be included in determining the income
379.20 of an assistance unit:

379.21 (1) earned income; and

379.22 (2) unearned income, which includes:

379.23 (i) interest and dividends from investments and savings;

379.24 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

379.25 (iii) proceeds from rent and contract for deed payments in excess of the principal and
379.26 interest portion owed on property;

379.27 (iv) income from trusts, excluding special needs and supplemental needs trusts;

379.28 (v) interest income from loans made by the participant or household;

379.29 (vi) cash prizes and winnings according to guidance provided for the Supplemental
379.30 Nutrition Assistance Program;

380.1 (vii) unemployment insurance income that is received by an adult member of the
380.2 assistance unit unless the individual receiving unemployment insurance income is:

380.3 (A) 18 years of age and enrolled in a secondary school; or

380.4 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

380.5 (viii) retirement, survivors, and disability insurance payments;

380.6 ~~(ix) nonrecurring income over \$60 per quarter unless earmarked and used for the purpose~~
380.7 ~~for which it is intended. Income and use of this income is subject to verification requirements~~
380.8 ~~under section 256P.04;~~

380.9 ~~(x)~~ (ix) retirement benefits;

380.10 ~~(xi)~~ (x) cash assistance benefits, as defined by each program in chapters 119B, 256D,
380.11 256I, and 256J;

283.9 Sec. 34. Minnesota Statutes 2020, section 256P.06, subdivision 3, is amended to read:

283.10 Subd. 3. **Income inclusions.** The following must be included in determining the income
283.11 of an assistance unit:

283.12 (1) earned income; and

283.13 (2) unearned income, which includes:

283.14 (i) interest and dividends from investments and savings;

283.15 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

283.16 (iii) proceeds from rent and contract for deed payments in excess of the principal and
283.17 interest portion owed on property;

283.18 (iv) income from trusts, excluding special needs and supplemental needs trusts;

283.19 (v) interest income from loans made by the participant or household;

283.20 (vi) cash prizes and winnings;

283.21 (vii) unemployment insurance income that is received by an adult member of the
283.22 assistance unit unless the individual receiving unemployment insurance income is:

283.23 (A) 18 years of age and enrolled in a secondary school; or

283.24 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

283.25 (viii) retirement, survivors, and disability insurance payments;

283.26 (ix) nonrecurring income over \$60 per quarter unless earmarked and used for the purpose
283.27 for which it is intended. Income and use of this income is subject to verification requirements
283.28 under section 256P.04;

283.29 ~~(x)~~ retirement benefits;

284.1 ~~(xi)~~ cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I,
284.2 and 256J;

380.12 ~~(xii)~~ (xi) tribal per capita payments unless excluded by federal and state law;

380.13 ~~(xiii)~~ (xii) income and payments from service and rehabilitation programs that meet or

380.14 exceed the state's minimum wage rate;

380.15 ~~(xiv)~~ (xiii) income from members of the United States armed forces unless excluded

380.16 from income taxes according to federal or state law;

380.17 ~~(xv)~~ (xiv) all child support payments for programs under chapters 119B, 256D, and 256I;

380.18 ~~(xvi)~~ (xv) the amount of child support received that exceeds \$100 for assistance units

380.19 with one child and \$200 for assistance units with two or more children for programs under

380.20 chapter 256J; ~~and~~

380.21 ~~(xvii)~~ (xvi) spousal support; ~~and~~

380.22 (xvii) workers' compensation.

380.23 **EFFECTIVE DATE.** This section is effective March 1, 2023, except subdivision 3,

380.24 clause (2), item (vii), which is effective the day following final enactment and subdivision

380.25 3, clause (2), item (xvii), which is effective August 1, 2021.

380.26 Sec. 39. Minnesota Statutes 2020, section 256P.07, is amended to read:

380.27 **256P.07 REPORTING OF INCOME AND CHANGES.**

380.28 Subdivision 1. **Exempted programs.** Participants who receive Supplemental Security

380.29 Income and qualify for Minnesota supplemental aid under chapter 256D ~~and or~~ for housing

381.1 support under chapter 256I ~~on the basis of eligibility for Supplemental Security Income~~ are

381.2 exempt from ~~this section~~ reporting income.

381.3 Subd. 1a. **Child care assistance programs.** Participants who qualify for child care

381.4 assistance programs under chapter 119B are exempt from this section except for the reporting

381.5 requirements in subdivision 6.

381.6 Subd. 2. **Reporting requirements.** An applicant or participant must provide information

381.7 on an application and any subsequent reporting forms about the assistance unit's

381.8 circumstances that affect eligibility or benefits. An applicant or assistance unit must report

381.9 changes identified in ~~subdivision~~ subdivisions 3, 4, 5, 7, 8, and 9 during the application

381.10 period or by the tenth of the month following the month that the change occurred. When

381.11 information is not accurately reported, both an overpayment and a referral for a fraud

381.12 investigation may result. When information or documentation is not provided, the receipt

381.13 of any benefit may be delayed or denied, depending on the type of information required

381.14 and its effect on eligibility.

381.15 Subd. 3. **Changes that must be reported.** ~~An assistance unit must report the changes~~

381.16 ~~or anticipated changes specified in clauses (1) to (12) within ten days of the date they occur,~~

381.17 ~~at the time of recertification of eligibility under section 256P.04, subdivisions 8 and 9, or~~

381.18 ~~within eight calendar days of a reporting period, whichever occurs first. An assistance unit~~

284.3 (xii) tribal per capita payments unless excluded by federal and state law;

284.4 (xiii) income and payments from service and rehabilitation programs that meet or exceed

284.5 the state's minimum wage rate;

284.6 (xiv) income from members of the United States armed forces unless excluded from

284.7 income taxes according to federal or state law;

284.8 (xv) all child support payments for programs under chapters 119B, 256D, and 256I;

284.9 (xvi) the amount of child support received that exceeds \$100 for assistance units with

284.10 one child and \$200 for assistance units with two or more children for programs under chapter

284.11 256J; ~~and~~

284.12 (xvii) spousal support.

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

- 381.19 ~~must report other changes at the time of recertification of eligibility under section 256P.04,~~
 381.20 ~~subdivisions 8 and 9, or at the end of a reporting period, as applicable. When an agency~~
 381.21 ~~could have reduced or terminated assistance for one or more payment months if a delay in~~
 381.22 ~~reporting a change specified under clauses (1) to (12) had not occurred, the agency must~~
 381.23 ~~determine whether a timely notice could have been issued on the day that the change~~
 381.24 ~~occurred. When a timely notice could have been issued, each month's overpayment~~
 381.25 ~~subsequent to that notice must be considered a client error overpayment under section~~
 381.26 ~~119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within~~
 381.27 ~~ten days must also be reported for the reporting period in which those changes occurred.~~
 381.28 ~~Within ten days, an assistance unit must report:~~
- 381.29 (1) a change in earned income of \$100 per month or greater with the exception of a
 381.30 ~~program under chapter 119B;~~
- 381.31 (2) a change in unearned income of \$50 per month or greater with the exception of a
 381.32 ~~program under chapter 119B;~~
- 381.33 (3) a change in employment status and hours with the exception of a program under
 381.34 ~~chapter 119B;~~
- 382.1 (4) a change in address or residence;
- 382.2 (5) a change in household composition with the exception of programs under chapter
 382.3 ~~256I;~~
- 382.4 (6) a receipt of a lump-sum payment with the exception of a program under chapter
 382.5 ~~119B;~~
- 382.6 (7) an increase in assets if over \$9,000 with the exception of programs under chapter
 382.7 ~~119B;~~
- 382.8 (8) a change in citizenship or immigration status;
- 382.9 (9) a change in family status with the exception of programs under chapter 256I;
- 382.10 (10) a change in disability status of a unit member, with the exception of programs under
 382.11 ~~chapter 119B;~~
- 382.12 (11) a new rent subsidy or a change in rent subsidy with the exception of a program
 382.13 ~~under chapter 119B; and~~
- 382.14 (12) a sale, purchase, or transfer of real property with the exception of a program under
 382.15 ~~chapter 119B. An assistance unit must report changes or anticipated changes as described~~
 382.16 ~~in this section.~~
- 382.17 (a) An assistance unit must report:

- 382.18 (1) a change in eligibility for Supplemental Security Income, Retirement Survivors
 382.19 Disability Insurance, or another federal income support;
- 382.20 (2) a change in address or residence;
- 382.21 (3) a change in household composition with the exception of programs under chapter
 382.22 256I;
- 382.23 (4) cash prizes and winnings according to guidance provided for the Supplemental
 382.24 Nutrition Assistance Program;
- 382.25 (5) a change in citizenship or immigration status;
- 382.26 (6) a change in family status with the exception of programs under chapter 256I; and
- 382.27 (7) assets when the value is at or above the asset limit.
- 382.28 (b) When an agency could have reduced or terminated assistance for one or more payment
 382.29 months if a delay in reporting a change specified in clauses (1) to (7) had not occurred, the
 382.30 agency must determine whether a timely notice could have been issued on the day that the
 383.1 change occurred. When a timely notice could have been issued, each month's overpayment
 383.2 subsequent to the notice must be considered a client error overpayment under section
 383.3 256P.08.
- 383.4 Subd. 4. **MFIP-specific reporting.** In addition to subdivision 3, an assistance unit under
 383.5 chapter 256J, within ten days of the change, must report:
- 383.6 (1) a pregnancy not resulting in birth when there are no other minor children; and
- 383.7 (2) a change in school attendance of a parent under 20 years of age or of an employed
 383.8 child; and
- 383.9 (3) an individual who is 18 or 19 years of age attending high school who graduates or
 383.10 drops out of school.
- 383.11 Subd. 5. **DWP-specific reporting.** In addition to subdivisions 3 and 4, an assistance
 383.12 unit participating in the diversionary work program under section 256J.95 must report on
 383.13 an application:
- 383.14 (1) shelter expenses; and
- 383.15 (2) utility expenses.
- 383.16 Subd. 6. **Child care assistance programs-specific reporting.** (a) In addition to
 383.17 subdivision 3, An assistance unit under chapter 119B, within ten days of the change, must
 383.18 report:
- 383.19 (1) a change in a parentally responsible individual's custody schedule for any child
 383.20 receiving child care assistance program benefits;

- 383.21 (2) a permanent end in a parentally responsible individual's authorized activity; ~~and~~
- 383.22 (3) if the unit's family's annual included income exceeds 85 percent of the state median
- 383.23 income, adjusted for family size;
- 383.24 (4) a change in address or residence;
- 383.25 (5) a change in household composition;
- 383.26 (6) a change in citizenship or immigration status; and
- 383.27 (7) a change in family status.
- 383.28 (b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must
- 383.29 report a change in the unit's authorized activity status.
- 384.1 (c) An assistance unit must notify the county when the unit wants to reduce the number
- 384.2 of authorized hours for children in the unit.
- 384.3 Subd. 7. **Minnesota supplemental aid-specific reporting.** (a) In addition to subdivision
- 384.4 3 and notwithstanding the exemption in subdivision 1, an assistance unit participating in
- 384.5 the Minnesota supplemental aid program under section 256D.44, subdivision 5, paragraph
- 384.6 (g), within ten days of the change, chapter 256D must report shelter expenses:
- 384.7 (1) a change in unearned income of \$50 per month or greater; and
- 384.8 (2) a change in earned income of \$100 per month or greater.
- 384.9 (b) An assistance unit receiving housing assistance under section 256D.44, subdivision
- 384.10 5, paragraph (g), including assistance units who also receive Supplemental Security Income,
- 384.11 must report:
- 384.12 (1) a change in shelter expenses; and
- 384.13 (2) a new rent subsidy or a change in a rent subsidy.
- 384.14 Subd. 8. **Housing support-specific reporting.** (a) In addition to subdivision 3, an
- 384.15 assistance unit participating in the housing support program under chapter 256I must report:
- 384.16 (1) a change in unearned income of \$50 per month or greater; and
- 384.17 (2) a change in earned income of \$100 per month or greater, with the exception of
- 384.18 participants already subject to six-month reporting requirements in section 256P.10.
- 384.19 (b) Notwithstanding the exemptions in subdivisions 1 and 3, an assistance unit receiving
- 384.20 housing support under chapter 256I, including an assistance unit that receives Supplemental
- 384.21 Security Income, must report:
- 384.22 (1) a new rent subsidy or a change in a rent subsidy;

384.23 (2) a change in the disability status of a unit member; and

384.24 (3) a change in household composition if the assistance unit is a participant in housing

384.25 support under section 256I.04, subdivision 3, paragraph (a), clause (3).

384.26 Subd. 9. **General assistance-specific reporting.** In addition to subdivision 3, an

384.27 assistance unit participating in the general assistance program under chapter 256D must

384.28 report:

384.29 (1) a change in unearned income of \$50 per month or greater;

385.1 (2) a change in earned income of \$100 per month or greater, with the exception of

385.2 participants who are already subject to six-month reporting requirements in section 256P.10;

385.3 and

385.4 (3) changes in any condition that would result in the loss of a basis for eligibility in

385.5 section 256D.05, subdivision 1, paragraph (a).

385.6 **EFFECTIVE DATE.** This section is effective March 1, 2023.

385.7 Sec. 40. **[256P.09] PROSPECTIVE BUDGETING OF BENEFITS.**

385.8 Subdivision 1. **Exempted programs.** Assistance units who qualify for child care

385.9 assistance programs under chapter 119B; housing support assistance units under chapter

385.10 256I who are not subject to reporting under section 256P.10; and assistance units who

385.11 qualify for Minnesota Supplemental Aid under chapter 256D are exempt from this section.

385.12 Subd. 2. **Prospective budgeting of benefits.** An agency must use prospective budgeting

385.13 to calculate an assistance payment amount.

385.14 Subd. 3. **Income changes.** Prospective budgeting must be used to determine the amount

385.15 of the assistance unit's benefit for the following six-month period. An increase in income

385.16 shall not affect an assistance unit's eligibility or benefit amount until the next case review

385.17 unless otherwise required by section 256P.07. A decrease in income shall be effective on

385.18 the date that the change occurs if the change is reported by the tenth of the month following

385.19 the month when the change occurred. If the decrease in income is not reported by the tenth

385.20 of the month following the month when the change occurred, the change in income shall

385.21 be effective the month following the month when the change is reported.

385.22 **EFFECTIVE DATE.** This section is effective March 1, 2023.

385.23 Sec. 41. **[256P.10] SIX-MONTH REPORTING.**

385.24 Subdivision 1. **Exempted programs.** Assistance units who qualify for child care

385.25 assistance programs under chapter 119B; assistance units who qualify for Minnesota

385.26 Supplemental Aid under chapter 256D; and assistance units who qualify for housing support

385.27 under chapter 256I and also receive Supplemental Security Income are exempt from this

385.28 section.

385.29 Subd. 2. **Reporting.** (a) Every six months, an assistance unit that qualifies for the
 385.30 Minnesota family investment program under chapter 256J; an assistance unit that qualifies
 385.31 for general assistance under chapter 256D with earned income of \$100 per month or greater;
 385.32 or an assistance unit that qualifies for housing support under chapter 256I with earned
 386.1 income of \$100 per month or greater is subject to six month case reviews. The initial
 386.2 reporting period may be shorter than six months in order to align with other program reporting
 386.3 periods.

386.4 (b) An assistance unit that qualifies for the Minnesota family investment program and
 386.5 an assistance unit that qualifies for general assistance as described in paragraph (a) must
 386.6 complete household report forms as prescribed by the commissioner for redetermination of
 386.7 benefits.

386.8 (c) An assistance unit that qualifies for housing support as described in paragraph (a)
 386.9 must complete household report forms as prescribed by the commissioner to provide
 386.10 information about earned income.

386.11 (d) An assistance unit that qualifies for housing support and also receives assistance
 386.12 through the Minnesota family investment program shall be subject to the requirements of
 386.13 this section for purposes of the Minnesota family investment program but not for housing
 386.14 support.

386.15 (e) An assistance unit must submit a household report form in compliance with the
 386.16 provisions in section 256P.04, subdivision 11.

386.17 (f) An assistance unit may choose to report changes under this section at any time.

386.18 Subd. 3. **When to terminate assistance.** (a) An agency must terminate benefits when
 386.19 the participant fails to submit the household report form before the end of the six month
 386.20 review period. If the participant submits the household report form within 30 days of the
 386.21 termination of benefits, benefits must be reinstated and made available retroactively for the
 386.22 full benefit month.

386.23 (b) When an assistance unit is determined to be ineligible for assistance according to
 386.24 this section and chapter 256D, 256I, or 256J, the agency must terminate assistance.

386.25 **EFFECTIVE DATE.** This section is effective March 1, 2023.

386.26 Sec. 42. Laws 2020, First Special Session chapter 7, section 1, as amended by Laws 2020,
 386.27 Third Special Session chapter 1, section 3, is amended by adding a subdivision to read:

386.28 Subd. 5. **Waivers and modifications.** When the peacetime emergency declared by the
 386.29 governor in response to the COVID-19 outbreak expires, is terminated, or is rescinded by
 386.30 the proper authority, the following waivers and modifications to human services programs
 386.31 issued by the commissioner of human services pursuant to Executive Orders 20-12 and
 386.32 20-42, including any amendments to the waivers or modifications issued before the peacetime

387.1 emergency expires, shall remain in effect until December 31, 2021, unless necessary federal
387.2 approval is not received at any time for a waiver or modification:

387.3 (1) Executive Order 21-15: when determining eligibility for cash assistance programs,
387.4 not counting as income any emergency economic relief provided through the American
387.5 Rescue Plan Act of 2021; and

387.6 (2) CV.04.A4: waiving interviews for annual eligibility recertifications of households
387.7 receiving cash assistance in which all necessary information has been submitted and verified.

387.8 Sec. 43. **DIRECTION TO COMMISSIONER; LONG-TERM HOMELESS**
387.9 **SUPPORTIVE SERVICES REPORT.**

387.10 (a) No later than January 15, 2023, the commissioner of human services shall produce
387.11 a report which shows the projects funded under Minnesota Statutes, section 256K.26, and
387.12 provide a copy of the report to the chairs and ranking minority members of the legislative
387.13 committees with jurisdiction over services for persons experiencing homelessness.

387.14 (b) This report must be updated annually for two additional years and the commissioner
387.15 must provide copies of the updated reports to the chairs and ranking minority members of
387.16 the legislative committees with jurisdiction over services for persons experiencing
387.17 homelessness by January 15, 2024, and January 15, 2025.

387.18 Sec. 44. **2022 REPORT TO LEGISLATURE ON RUNAWAY AND HOMELESS**
387.19 **YOUTH.**

387.20 Subdivision 1. **Report development.** The commissioner of human services is exempt
387.21 from preparing the report required under Minnesota Statutes, section 256K.45, subdivision
387.22 2, in 2023 and shall instead update the information in the 2007 legislative report on runaway
387.23 and homeless youth. In developing the updated report, the commissioner must use existing
387.24 data, studies, and analysis provided by state, county, and other entities including:

387.25 (1) Minnesota Housing Finance Agency analysis on housing availability;

387.26 (2) the Minnesota state plan to end homelessness;

387.27 (3) the continuum of care counts of youth experiencing homelessness and assessments
387.28 as provided by Department of Housing and Urban Development (HUD) required coordinated
387.29 entry systems;

387.30 (4) the biannual Department of Human Services report on the Homeless Youth Act;

387.31 (5) the Wilder Research homeless study;

388.1 (6) the Voices of Youth Count sponsored by Hennepin County; and

388.2 (7) privately funded analysis, including:

388.3 (i) nine evidence-based principles to support youth in overcoming homelessness;

388.4 (ii) the return on investment analysis conducted for YouthLink by Foldes Consulting;
 388.5 and
 388.6 (iii) the evaluation of Homeless Youth Act resources conducted by Rainbow Research.
 388.7 Subd. 2. **Key elements; due date.** (a) The report must include three key elements where
 388.8 significant learning has occurred in the state since the 2007 report, including:
 388.9 (1) the unique causes of youth homelessness;
 388.10 (2) targeted responses to youth homelessness, including the significance of positive
 388.11 youth development as fundamental to each targeted response; and
 388.12 (3) recommendations based on existing reports and analysis on how to end youth
 388.13 homelessness.
 388.14 (b) To the extent that data is available, the report must include:
 388.15 (1) a general accounting of the federal and philanthropic funds leveraged to support
 388.16 homeless youth activities;
 388.17 (2) a general accounting of the increase in volunteer responses to support youth
 388.18 experiencing homelessness; and
 388.19 (3) a data-driven accounting of geographic areas or distinct populations that have gaps
 388.20 in service or are not yet served by homeless youth responses.
 388.21 (c) The commissioner of human services shall consult with and incorporate the expertise
 388.22 of community-based providers of homeless youth services and other expert stakeholders to
 388.23 complete the report. The commissioner shall submit the report to the chairs and ranking
 388.24 minority members of the legislative committees with jurisdiction over youth homelessness
 388.25 by December 15, 2022.

304.24 Sec. 59. **GRANT TO MINNESOTA ASSOCIATION FOR VOLUNTEER**
 304.25 **ADMINISTRATION.**

304.26 The commissioner of human services shall establish a onetime grant to the Minnesota
 304.27 Association for Volunteer Administration to administer needs-based volunteerism subgrants
 304.28 for underresourced nonprofit organizations in greater Minnesota to support the organizations'
 304.29 efforts to address and minimize disparities in access to human services through increased
 304.30 volunteerism. Successful subgrant applicants must demonstrate that the populations served
 304.31 by the subgrantee are underserved or suffer from or are at risk of homelessness, hunger,
 304.32 poverty, lack of access to health care, or deficits in education. The Minnesota Association
 305.1 for Volunteer Administration shall give priority to organizations that are serving the needs
 305.2 of vulnerable populations. By December 15, 2023, the Minnesota Association for Volunteer
 305.3 Administration shall report data on outcomes of the subgrants and make recommendations

305.4 for improving and sustaining volunteer efforts statewide to the chairs and ranking minority
 305.5 members of the legislative committees and divisions with jurisdiction over human services.

305.6 Sec. 60. **CHILD CARE AND DEVELOPMENT BLOCK GRANT ALLOCATION;**
 305.7 **TRANSFER FUNDS FOR EARLY LEARNING SCHOLARSHIPS.**

305.8 The commissioner of human services shall allocate \$73,000,000 in fiscal year 2022 and
 305.9 \$73,000,000 in fiscal year 2023 from the amount that Minnesota received under the American
 305.10 Rescue Plan Act, Public Law 117-2, section 2201, for the child care and development block
 305.11 grant, to be transferred to the commissioner of education for the early learning scholarship
 305.12 program under Minnesota Statutes, section 124D.165. For purposes of expending federal
 305.13 resources, the commissioner of human services shall consult with the commissioner of
 305.14 education to ensure that the transferred resources are deployed to support prioritized groups
 305.15 of children, including but not limited to the groups identified in Minnesota Statutes, section
 305.16 124D.165, while identifying and implementing any other oversight and reporting necessary
 305.17 to maintain compliance with the federal child care and development block grant
 305.18 accountability and data collection requirements in United States Code, title 42, section
 305.19 9858i.

305.20 Sec. 61. **FEDERAL PANDEMIC EMERGENCY ASSISTANCE ALLOCATION;**
 305.21 **EMERGENCY ASSISTANCE GRANTS.**

305.22 (a) From the amount that Minnesota received under section 9201 of the federal American
 305.23 Rescue Plan Act, Public Law 117-2, for pandemic emergency assistance, the commissioner
 305.24 of human services shall allocate \$10,000,000 in fiscal year 2022 for emergency assistance
 305.25 grants according to paragraph (b).

305.26 (b) The commissioner shall distribute funds to counties to provide emergency assistance
 305.27 grants to families with children under Minnesota Statutes, section 256J.626. The emergency
 305.28 assistance grants under this section must be available for:

305.29 (1) rent or mortgage, including arrearages;

305.30 (2) utility bills, including arrearages;

305.31 (3) food;

305.32 (4) clothing needed for work or school;

306.1 (5) public transportation and vehicle repairs; and

306.2 (6) school-related equipment needs.

306.3 (c) Notwithstanding any county policies to the contrary, applicants are eligible for grants,
 306.4 subject to applicable maximum payments, for a security deposit, or if they are in arrears for
 306.5 rent, mortgage, or contract for deed payments.

388.26 Sec. 45. **REPEALER.**

388.27 **(a)** Minnesota Statutes 2020, sections 256D.051, subdivisions 1, 1a, 2, 2a, 3, 3a, 3b, 6b,

388.28 **6c, 7, 8, 9, and 18; 256D.052, subdivision 3; and 256J.21, subdivisions 1 and 2, are repealed.**

389.1 **(b)** Minnesota Statutes 2020, sections 256J.08, subdivisions 10, 53, 61, 62, 81, and 83;

389.2 **256J.30, subdivisions 5, 7, and 8; 256J.33, subdivisions 3, 4, and 5; 256J.34, subdivisions**

389.3 **1, 2, 3, and 4; and 256J.37, subdivision 10, are repealed.**

389.4 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2021. Paragraph (b) is effective

389.5 **March 1, 2023.**

306.6 Sec. 62. **FEDERAL PANDEMIC EMERGENCY ASSISTANCE ALLOCATION;**

306.7 **MFIP CONSOLIDATED FUND.**

306.8 **From the amount that Minnesota received under section 9201 of the federal American**

306.9 **Rescue Plan Act, Public Law 117-2, for pandemic emergency assistance, the commissioner**

306.10 **of human services shall allocate \$4,327,000 in fiscal year 2023 to counties according to**

306.11 **Minnesota Statutes, section 256J.626.**

306.12 Sec. 63. **REPEALER.**

306.13 Minnesota Statutes 2020, sections 256D.051, subdivisions 1, 1a, 2, 2a, 3, 3a, 3b, 6b, 6c,

306.14 **7, 8, 9, and 18; 256D.052, subdivision 3; and 259A.70 are repealed.**

306.15 **EFFECTIVE DATE.** This section is effective August 1, 2021, except that the repeal

306.16 **of Minnesota Statutes, section 259A.70 is effective July 1, 2021.**