Section 1. Minnesota Statutes 2022, section 119B.011, subdivision 3, is amended to read:

Subd. 3. Application.
"Application" means the submission to a county agency, by or on behalf of a family, of a completed, signed, and dated:

1. child care assistance universal application form; or
2. child care addendum form in combination with a combined application form for MFIP, DWP, or Supplemental Nutrition Assistance Program (SNAP) benefits.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 2. Minnesota Statutes 2022, section 119B.011, subdivision 15, is amended to read:

Subd. 15. Income.
"Income" means earned income as defined under section 256P.01, subdivision 3, unearned income as defined under section 256P.01, subdivision 8, and public assistance cash benefits, including the Minnesota family investment program, diversionary work programs, work benefit, Minnesota supplemental aid, general assistance, refugee cash assistance, at-home infant child care subsidy payments, and child support and maintenance distributed to the family under section 256.741, subdivision 2a.

The following are deducted from income: funds used to pay for health insurance premiums for family members, and child or spousal support paid to or on behalf of a person or persons who live outside of the household. Income sources not included in this subdivision and section 256P.06, subdivision 3, are not counted as income.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 119B.02, subdivision 4, is amended to read:

Subd. 4. Universal application form.
The commissioner must develop and make available to all counties a universal application form for child care assistance under this chapter. The commissioner may develop and make available to all counties a child care addendum form to be used to supplement the combined application form for MFIP, DWP, or Supplemental Nutrition Assistance Program (SNAP) benefits or to supplement other statewide application forms for public assistance programs for families applying for one of these programs in addition to child care assistance. The application must provide notice of eligibility requirements for assistance and penalties for wrongfully obtaining assistance.
Sec. 5. Minnesota Statutes 2022, section 119B.03, subdivision 3, is amended to read:

Subd. 3. Eligible participants. Families that meet the eligibility requirements under sections 119B.09 and 119B.10, except MFIP participants, diversionary work program, and transition year families are eligible for child care assistance under the basic sliding fee program. Families enrolled in the basic sliding fee program shall be continued until they are no longer eligible. Child care assistance provided through the child care fund is considered assistance to the parent.
Sec. 6. Minnesota Statutes 2022, section 119B.03, subdivision 4, is amended to read:

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 7. Minnesota Statutes 2022, section 119B.03, subdivision 4a, is amended to read:

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 8. Minnesota Statutes 2022, section 119B.05, subdivision 1, is amended to read:

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

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

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

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

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

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

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

(6) families who are participating in programs as required in tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2;

(7) families who are participating in the transition year extension under section 119B.011, subdivision 20a;
student parents as defined under section 119B.011, subdivision 19b; and
(4) (7) student parents who turn 21 years of age and who continue to meet the other
requirements under section 119B.011, subdivision 19b: A student parent continues to be
eligible until the student parent is approved for basic sliding fee child care assistance or
until the student parent's redetermination, whichever comes first. At the student parent's
redetermination, if the student parent was not approved for basic sliding fee child care
assistance, a student parent's eligibility ends following a 15-day adverse action notice.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 9. Minnesota Statutes 2022, section 119B.09, subdivision 7, is amended to read:
Subd. 7. Date of eligibility for assistance. (a) The date of eligibility for child care
assistance under this chapter is the later of the date the application was received by the
county; the beginning date of employment, education, or training; the date the infant is born
for applicants to the at-home infant care program; or the date a determination has been made
that the applicant is a participant in employment and training services under Minnesota
Rules, part 3400.0080, or chapter 256J.

(b) Payment ceases for a family under the at-home infant child care program when a
family has used a total of 12 months of assistance as specified under section 119B.035.
Payment of child care assistance for employed persons on MFIP is effective the date of
employment or the date of MFIP or DWP eligibility, whichever is later. Payment of child care
assistance for MFIP or DWP participants in employment and training services is effective
the date of commencement of the services or the date of MFIP or DWP eligibility, whichever
is later. Payment of child care assistance for transition year child care must be made
retroactive to the date of eligibility for transition year child care.

(c) Notwithstanding paragraph (b), payment of child care assistance for participants
eligible under section 119B.05 may only be made retroactive for a maximum of three months
from the date of application for child care assistance.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 10. Minnesota Statutes 2022, section 119B.095, subdivision 2, is amended to read:
Subd. 2. Maintain steady child care authorizations. (a) Notwithstanding Minnesota
Rules, chapter 3400, the amount of child care authorized under section 119B.10 for
employment, education, or an MFIP or DWP employment plan shall continue at the same
number of hours or more hours until redetermination, including:

(1) when the other parent moves in and is employed or has an education plan under
section 119B.10, subdivision 3, or has an MFIP or DWP employment plan; or

(2) when the participant's work hours are reduced or a participant temporarily stops
working or attending an approved education program. Temporary changes include, but are
not limited to, a medical leave, seasonal employment fluctuations, or a school break between
semesters.
(b) The county may increase the amount of child care authorized at any time if the
participant verifies the need for increased hours for authorized activities.
(c) The county may reduce the amount of child care authorized if a parent requests a
reduction or because of a change in:
(1) the child's school schedule;
(2) the custody schedule; or
(3) the provider's availability.
(d) The amount of child care authorized for a family subject to subdivision 1, paragraph
(b), must change when the participant's activity schedule changes. Paragraph (a) does not
apply to a family subject to subdivision 1, paragraph (b).
(e) When a child reaches 13 years of age or a child with a disability reaches 15 years of
age, the amount of child care authorized shall continue at the same number of hours or more
hours until redetermination.

EFFECTIVE DATE. This section is effective March 1, 2024.

Subd. 3. Assistance for persons who are homeless. An applicant who is homeless and
eligible for child care assistance is exempt from the activity participation requirements under
this chapter for three months. The applicant under this subdivision is eligible for 60 hours
of child care assistance per service period for three months from the date the county receives
the application. Additional hours may be authorized as needed based on the applicant's
participation in employment, education, or MFIP or DWP employment plan. To continue
receiving child care assistance after the initial three months, the applicant must verify that
the applicant meets eligibility and activity requirements for child care assistance under this
chapter.

EFFECTIVE DATE. This section is effective March 1, 2024.

Subdivision 1. Assistance for persons seeking and retaining employment. (a) Persons
who are seeking employment and who are eligible for assistance under this section are
eligible to receive up to 240 hours of child care assistance per calendar year.
(b) At application and redetermination, employed persons who work at least an average
of 20 hours and full-time students who work at least an average of ten hours a week and
receive at least a minimum wage for all hours worked are eligible for child care assistance
for employment. For purposes of this section, work-study programs must be counted as
135.20 employment. An employed person with an MFIP or DWP employment plan shall receive
135.21 child care assistance as specified in the person's employment plan. Child care assistance
135.22 during employment must be authorized as provided in paragraphs (c) and (d).
135.23 (c) When the person works for an hourly wage and the hourly wage is equal to or greater
135.24 than the applicable minimum wage, child care assistance shall be provided for the hours of
135.25 employment, break, and mealtime during the employment and travel time up to two hours per day.
135.26
135.27 (d) When the person does not work for an hourly wage, child care assistance must be
135.28 provided for the lesser of:
135.29 (1) the amount of child care determined by dividing gross earned income by the applicable
135.30 minimum wage, up to one hour every eight hours for meals and break time, plus up to two
135.31 hours per day for travel time; or
135.32 (2) the amount of child care equal to the actual amount of child care used during
135.33 employment, including break and mealtime during employment, and travel time up to two
135.34 hours per day.
136.4 EFFECTIVE DATE. This section is effective March 1, 2024.

136.5 Sec. 13. Minnesota Statutes 2022, section 119B.10, subdivision 3, is amended to read:
136.6 Subd. 3. Assistance for persons attending an approved education or training
136.7 program. (a) Money for an eligible person according to sections
136.8 119B.03, subdivision 3, and 119B.05, subdivision 1, shall be used to reduce child care costs for a student. The county
136.9 shall not limit the duration of child care subsidies for a person in an employment or
136.10 educational program unless the person is ineligible for child care funds. Any other limitation
136.11 must be based on county policies included in the approved child care fund plan.
136.12 (b) To be eligible, the student must be in good standing and be making satisfactory
136.13 progress toward the degree. The maximum length of time a student is eligible for child care
136.14 assistance under the child care fund for education and training is no more than the time
136.15 necessary to complete the credit requirements for an associate's or baccalaureate degree as
determined by the educational institution. Time limitations for child care assistance do not
136.17 apply to basic or remedial educational programs needed for postsecondary education or
136.18 employment. Basic or remedial educational programs include high school, commissioner
136.19 of education-selected high school equivalency, and English as a second language programs.
136.20 A program exempt from this time limit must not run concurrently with a postsecondary
136.21 program.
136.22 (c) If a student meets the conditions of paragraphs (a) and (b), child care assistance must
136.23 be authorized for all hours of class time and credit hours, including independent study and
136.24 internships, and up to two hours of travel time per day. A postsecondary student shall receive
136.25 four hours of child care assistance per credit hour for study time and academic appointments
136.26 per service period;
(d) For an MFIP or DWP participant, child care assistance must be authorized according to the person's approved employment plan. If an MFIP or DWP participant receiving MFIP or DWP child care assistance under this chapter moves to another county, continues to participate in an authorized educational or training program, and remains eligible for MFIP or DWP child care assistance, the participant must receive continued child care assistance from the county responsible for the person's current employment plan under section 256G.07.

(e) If a person with an approved education program under section 119B.03, subdivision 3, or 119B.05, subdivision 1, begins receiving MFIP or DWP assistance, the person continues to receive child care assistance for the approved education program until the person's education is included in an approved MFIP or DWP employment plan or until redetermination, whichever occurs first.

(f) If a person's MFIP or DWP assistance ends and the approved MFIP or DWP employment plan included education, the person continues to be eligible for child care assistance for education under transition year child care assistance until the person's education is included in an approved education plan or until redetermination.

EFFECTIVE DATE. This section is effective March 1, 2024.
Relief based on need includes, but is not limited to, receipt of MFIP and Diversionary Work Program, medical assistance, general assistance, emergency general assistance, Minnesota supplemental aid, MSA-emergency assistance, MinnesotaCare, Supplemental Security Income, energy assistance, emergency assistance, Supplemental Nutrition Assistance Program (SNAP) benefits, earned income tax credit, or Minnesota working family tax credit.

(b) A unit of government or impound lot operator shall establish reasonable procedures for retrieval of vehicle contents, and may establish reasonable procedures to protect the safety and security of the impound lot and its personnel.

(c) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner who provides documentation from a government or nonprofit agency or legal aid office that the registered owner is homeless, receives relief based on need, or is eligible for legal aid services, has the unencumbered right to retrieve any and all contents without charge and regardless of whether the registered owner pays incurred charges or fees, transfers title, or reclamess the vehicle.

EFFECTIVE DATE. This section is effective March 1, 2024.

Section 16. Minnesota Statutes 2022, section 256.046, subdivision 1, is amended to read:

Subdivision 1. Hearing authority. A local agency must initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the Minnesota family investment program and any affiliated program to include the diversionary work program and the work participation cash benefit program, child care assistance programs, general assistance, family general assistance program formerly codified in section 256D.05, subdivision 1, clause (15), Minnesota supplemental aid, the Supplemental Nutrition Assistance Program (SNAP), MinnesotaCare for adults without children, and upon federal approval, all categories of medical assistance and remaining categories of MinnesotaCare except for children through age 18. The Department of Human Services, in lieu of a local agency, may initiate an administrative fraud disqualification hearing when the state agency is directly responsible for administration or investigation of the program for which benefits were wrongfully obtained. The hearing is subject to the requirements of sections 256.045 and 256.0451 and the requirements in Code of Federal Regulations, title 7, section 273.16.

EFFECTIVE DATE. This section is effective March 1, 2024, and applies to acts of wrongfully obtaining assistance and intentional program violations that occur on or after that date.

Section 17. Minnesota Statutes 2022, section 256.98, subdivision 8, is amended to read:

Subd. 8. Disqualification from program. (a) Any person found to be guilty of wrongfully obtaining assistance by a federal or state court or by an administrative hearing determination, or waiver thereof, through a disqualification consent agreement, or as part of any approved diversion plan under section 401.065, or any court-ordered stay which
carries with it any probationary or other conditions, in the Minnesota family investment
program and any affiliated program to include the diversionary work program and the work
participation cash benefit program, the Supplemental Nutrition Assistance Program (SNAP),
the general assistance program, housing support under chapter 256I, or the Minnesota
supplemental aid program shall be disqualified from that program. In addition, any person
disqualified from the Minnesota family investment program shall also be disqualified from
SNAP. The needs of that individual shall not be taken into consideration in determining the
grant level for that assistance unit:

1. for one year after the first offense;
2. for two years after the second offense; and
3. permanently after the third or subsequent offense.

The period of program disqualification shall begin on the date stipulated on the advance
notice of disqualification without possibility of postponement for administrative stay or
administrative hearing and shall continue through completion unless and until the findings
upon which the sanctions were imposed are reversed by a court of competent jurisdiction.
The period for which sanctions are imposed is not subject to review. The sanctions provided
under this subdivision are in addition to, and not in substitution for, any other sanctions that
may be provided for by law for the offense involved. A disqualification established through
hearing or waiver shall result in the disqualification period beginning immediately unless
the person has become otherwise ineligible for assistance. If the person is ineligible for
assistance, the disqualification period begins when the person again meets the eligibility
criteria of the program from which they were disqualified and makes application for that
program.

(b) A family receiving assistance through child care assistance programs under chapter
119B with a family member who is found to be guilty of wrongfully obtaining child care
assistance by a federal court, state court, or an administrative hearing determination or
waiver, through a disqualification consent agreement, as part of an approved diversion plan
under section 401.065, or a court-ordered stay with probationary or other conditions, is
disqualified from child care assistance programs. The disqualifications must be for periods
of one year and two years for the first and second offenses, respectively. Subsequent
violations must result in permanent disqualification. During the disqualification period,
disqualification from any child care program must extend to all child care programs and
must be immediately applied.

(c) A provider caring for children receiving assistance through child care assistance
programs under chapter 119B is disqualified from receiving payment for child care services
from the child care assistance program under chapter 119B when the provider is found to
have wrongfully obtained child care assistance by a federal court, state court, or an
administrative hearing determination or waiver under section 256.046, through a
disqualification consent agreement, as part of an approved diversion plan under section
401.065, or a court-ordered stay with probationary or other conditions. The disqualification

must be for a period of three years for the first offense. Any subsequent violation must result in permanent disqualification. The disqualification period must be imposed immediately after a determination is made under this paragraph. During the disqualification period, the provider is disqualified from receiving payment from any child care program under chapter 119B.

(d) Any person found to be guilty of wrongfully obtaining MinnesotaCare for adults without children and upon federal approval, all categories of medical assistance and remaining categories of MinnesotaCare, except for children through age 18, by a federal or state court or by an administrative hearing determination, or waiver thereof, through a disqualification consent agreement; or as part of any approved diversion plan under section 401.065, or any court-ordered stay which carries with it any probationary or other conditions, is disqualified from that program. The period of disqualification is one year after the first offense, two years after the second offense, and perennently after the third or subsequent offense. The period of program disqualification shall begin on the date stipulated on the advance notice of disqualification without possibility of postponement for administrative stay or administrative hearing and shall continue through completion unless and until the findings upon which the sanctions were imposed are reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review. The sanctions provided under this subdivision are in addition to, and not in substitution for, any other sanctions that may be provided for by law for the offense involved.

EFFECTIVE DATE. This section is effective March 1, 2024, and applies to acts of wrongfully obtaining assistance that occur on or after that date.

Sec. 18. Minnesota Statutes 2022, section 256.987, subdivision 4, is amended to read:

Subd. 4. Disqualification. (a) Any person found to be guilty of purchasing tobacco products or alcoholic beverages with their EBT debit card by a federal or state court or by an administrative hearing determination; or waiver thereof, through a disqualification consent agreement; or as part of any approved diversion plan under section 401.065; or any court-ordered stay which carries with it any probationary or other conditions, in the: (1) Minnesota family investment program and any affiliated program to include the diversionary work program and the work participation cash benefit program under chapter 256J; (2) general assistance program under chapter 256D; or (3) Minnesota supplemental aid program under chapter 256D, shall be disqualified from all of the listed programs;

(b) The needs of the disqualified individual shall not be taken into consideration in determining the grant level for that assistance unit: (1) for one year after the first offense; (2) for two years after the second offense; and (3) permanently after the third or subsequent offense;

(c) The period of program disqualification shall begin on the date stipulated on the advance notice of disqualification without possibility of postponement for administrative stay or administrative hearing and shall continue through completion unless and until the
findings upon which the sanctions were imposed are reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review.

EFFECTIVE DATE. This section is effective March 1, 2024, and applies to purchases made on or after that date.

Section 1. Minnesota Statutes 2022, section 256D.01, subdivision 1a, is amended to read:

Subd. 1a. Standards. (a) A principal objective in providing general assistance is to provide for single adults, childless couples, or children as defined in section 256D.02, subdivision 6, ineligible for federal programs who are unable to provide for themselves. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs.

(b) The commissioner shall set the standard of assistance for an assistance unit consisting of an adult who is childless and unmarried or living apart from children and spouse and who does not live with a parent or parents or a legal custodian in the amount that the aid to families with dependent children standard of assistance, in effect on July 16, 1996, would increase if the recipient were added as an additional minor child to an assistance unit consisting of the recipient's parent and all of that parent's family members, except that the standard may not exceed the standard for a general assistance recipient living alone in the cash portion of the MFIP transitional standard for a single adult under section 256J.24, subdivision 5.

(c) For an assistance unit consisting of a single adult who lives with a parent or parents, the general assistance standard of assistance is the amount that the aid to families with dependent children standard of assistance, in effect on July 16, 1996, would increase if the recipient were added as an additional minor child to an assistance unit consisting of the recipient's parent and all of that parent's family members, except that the standard may not exceed the standard for a single adult under section 256J.24, subdivision 5.

(d) For an assistance unit consisting of a childless couple, the standards of assistance are the same as the first and second adult standards of the aid to families with dependent children program in effect on July 16, 1996. If one member of the couple is not included in
the general assistance grant, the standard of assistance for the other is the second adult
standard of the aid to families with dependent children program as of July 16, 1996.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 256D.024, subdivision 1, is amended to read:

Subdivision 1. Person convicted of drug offenses. (a) An applicant or recipient individual who has been convicted of a felony-level drug offense after July 1, 1997, the assistance unit is ineligible for benefits under this chapter until five years after the applicant has completed terms of the court-ordered sentence, unless the person is participating in a drug treatment program, has successfully completed a drug treatment program, or has been assessed by the county and determined not to be in need of a drug treatment program. Persons subject to the limitations of this subdivision who become eligible for assistance under this chapter shall during the previous ten years from the date of application or recertification may be subject to random drug testing as a condition of continued eligibility and shall lose eligibility for benefits for five years beginning the month following:

(1) Any positive test result for an illegal controlled substance, or
(2) Discharge of sentence after conviction for another drug felony.

(b) For the purposes of this subdivision, "drug offense" means a conviction that occurred after July 1, 1997, during the previous ten years from the date of application or recertification of sections 152.021 to 152.025, 152.0261, 152.0262, or 152.096. Drug offense also means a conviction in another jurisdiction of the possession, use, or distribution of a controlled substance, or conspiracy to commit any of these offenses, if the offense occurred after July 1, 1997, during the previous ten years from the date of application or recertification and the conviction is a felony offense in that jurisdiction, or in the case of New Jersey, a high misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 4. Minnesota Statutes 2022, section 256D.03, is amended by adding a subdivision to read:

Subd. 2b. Budgeting and reporting. Every county agency shall determine eligibility and calculate benefit amounts for general assistance according to chapter 256P.

EFFECTIVE DATE. This section is effective March 1, 2025.

the general assistance grant, the standard of assistance for the other is the second adult standard of the aid to families with dependent children program as of July 16, 1996.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 2. Minnesota Statutes 2022, section 256D.024, subdivision 1, is amended to read:

EFFECTIVE DATE. This section is effective August 1, 2023.

Every county agency shall provide information about substance use disorder treatment programs to a person who tests positive for an illegal controlled substance.

Subd. 2b. Budgeting and reporting. Every county agency shall determine eligibility and calculate benefit amounts for general assistance according to chapter 256P.

EFFECTIVE DATE. This section is effective March 1, 2025.
Sec. 5. Minnesota Statutes 2022, section 256D.06, subdivision 5, is amended to read:

Subd. 5. Eligibility; requirements. (a) Any applicant, otherwise eligible for general assistance and possibly eligible for maintenance benefits from any other source shall (1) make application for those benefits within 90 days of the general assistance application; and (2) execute an interim assistance agreement on a form as directed by the commissioner.

(b) The commissioner shall review a denial of an application for other maintenance benefits and may require a recipient of general assistance to file an appeal of the denial if appropriate. If found eligible for benefits from other sources, and a payment received from another source relates to the period during which general assistance was also being received, the recipient shall be required to reimburse the county agency for the interim assistance paid. Reimbursement shall not exceed the amount of general assistance paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period.

(c) The commissioner may contract with the county agencies, qualified agencies, organizations, or persons to provide advocacy and support services to process claims for federal disability benefits for applicants or recipients of services or benefits supervised by the commissioner using money retained under this section.

(d) The commissioner may provide methods by which county agencies shall identify, refer, and assist recipients who may be eligible for benefits under federal programs for people with a disability.

(e) The total amount of interim assistance recoveries retained under this section for advocacy, support, and claim processing services shall not exceed 35 percent of the interim assistance recoveries in the prior fiscal year.

Sec. 6. Minnesota Statutes 2022, section 256D.44, subdivision 5, is amended to read:

Subd. 5. Special needs. (a) In addition to the state standards of assistance established in subdivisions 1 to 4, payments are allowed for the following special needs of recipients of Minnesota supplemental aid who are not residents of a nursing home, a regional treatment center, or a setting authorized to receive housing support payments under chapter 256D:

(b) The county agency shall pay a monthly allowance for medically prescribed diets if the cost of those additional dietary needs cannot be met through some other maintenance benefit. The need for special diets or dietary items must be prescribed by a licensed physician, advanced practice registered nurse, or physician assistant. Costs for special diets shall be determined as percentages of the allotment for a one-person household under the thrifty food plan that are covered are as follows:

EFFECTIVE DATE. This section is effective January 1, 2024.
389.25 (1) high protein diet; at least 80 grams daily; 25 percent of thrifty food plan;
389.26 (2) controlled protein diet; 40 to 60 grams and requires special products; 100 percent of
389.27 thrifty food plan;
389.28 (3) controlled protein diet; less than 40 grams and requires special products; 125 percent
389.29 of thrifty food plan;
389.30 (4) low cholesterol diet; 25 percent of thrifty food plan;
389.31 (5) high residue diet; 20 percent of thrifty food plan;
389.32 (6) pregnancy and lactation diet; 35 percent of thrifty food plan;
390.1 (7) gluten-free diet; 25 percent of thrifty food plan;
390.2 (8) lactose-free diet; 25 percent of thrifty food plan;
390.3 (9) antidumping diet; 15 percent of thrifty food plan;
390.4 (10) hypoglycemic diet; 15 percent of thrifty food plan; or
390.5 (11) ketogenic diet; 25 percent of thrifty food plan.
390.6 (c) Payment for nonrecurring special needs must be allowed for necessary home repairs
390.7 or necessary repairs or replacement of household furniture and appliances using the payment
390.8 standard of the AFDC program in effect on July 16, 1996, for these expenses, as long as
390.9 other funding sources are not available.
390.10 (d) A fee for guardian or conservator service is allowed at a reasonable rate negotiated
390.11 by the county or approved by the court. This rate shall not exceed five percent of the
390.12 assistance unit's gross monthly income up to a maximum of $100 per month. If the guardian
390.13 or conservator is a member of the county agency staff, no fee is allowed.
390.14 (e) The county agency shall continue to pay a monthly allowance of $68 for restaurant
390.15 meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and
390.16 who eats two or more meals in a restaurant daily. The allowance must continue until the
390.17 person has not received Minnesota supplemental aid for one full calendar month or until
390.18 the person's living arrangement changes and the person no longer meets the criteria for the
390.19 restaurant meal allowance, whichever occurs first.
390.20 (f) A fee of ten percent of the recipient's gross income or $25, whichever is less, equal
to the maximum monthly amount allowed by the Social Security Administration is allowed
390.22 for representative payee services provided by an agency that meets the requirements under
390.23 SSI regulations to charge a fee for representative payee services. This special need is available
390.24 to all recipients of Minnesota supplemental aid regardless of their living arrangement.
390.25 (g)(1) Notwithstanding the language in this subdivision, an amount equal to one-half of
390.26 the maximum federal Supplemental Security Income payment amount for a single individual
390.27 which is in effect on the first day of July of each year will be added to the standards of
390.28...
assistance established in subdivisions 1 to 4 for adults under the age of 65 who qualify as
in need of housing assistance and are:

(i) relocating from an institution, a setting authorized to receive housing support under
chapter 256I, or an adult mental health residential treatment program under section
256B.0622;

(ii) eligible for personal care assistance under section 256B.0659; or

(iii) home and community-based waiver recipients living in their own home or rented
or leased apartment.

(2) Notwithstanding subdivision 3, paragraph (c), an individual eligible for the shelter
needy benefit under this paragraph is considered a household of one. An eligible individual
who receives this benefit prior to age 65 may continue to receive the benefit after the age
of 65:

3. "Housing assistance" means that the assistance unit incurs monthly shelter costs that
exceed 40 percent of the assistance unit's gross income before the application of this special
needs standard. "Gross income" for the purposes of this section is the applicant's or recipient's
income as defined in section 256D.35, subdivision 10, or the standard specified in subdivision
12, paragraph (a) or (b), whichever is greater. A recipient of a federal or state housing subsidy,
that limits shelter costs to a percentage of gross income, shall not be considered in need of
housing assistance for purposes of this paragraph.

EFFECTIVE DATE. This section is effective January 1, 2024.
may be expended for other expenses, such as rent, salaries, and other administrative expenses of Hunger Solutions.

Sec. 9. [392.32] AMERICAN INDIAN FOOD SOVEREIGNTY FUNDING PROGRAM.

Subdivision 1. Establishment. The American Indian food sovereignty funding program is established to improve access and equity to food security programs within Tribal and American Indian communities in achieving self-determination and improve collaboration and partnership building between American Indian communities and the state. The commissioner of human services shall administer the program and provide outreach, technical assistance, and program development support to increase food security for American Indians.

Subd. 2. Distribution of funding. (a) The commissioner shall provide funding to support food systems changes and provide equitable access to existing and new methods of food support for American Indian communities. The commissioner shall determine the timing and form of the application for the program.

(b) Eligible recipients of funding under this section include:

(1) federally recognized American Indian Tribes or bands as defined in section 10.65, or

(2) nonprofit organizations or fiscal sponsors with a majority American Indian board of directors.

(c) Funding for American Indian Tribes or Bands must be allocated by a formula determined by the commissioner. Funding for nonprofit organizations or fiscal sponsors must be awarded through a competitive grant process.

Subd. 3. Allowable uses of money. Recipients shall use money provided under this section to promote food security for American Indian communities by:

(1) planning for sustainable food systems;

(2) implementing food security programs, including but not limited to technology to facilitate no-contact or low-contact food distribution and outreach models;

(3) providing culturally relevant training for building food access;

(4) purchasing, producing, processing, transporting, storing, and coordinating the distribution of food, including culturally relevant food; and

(5) purchasing seeds, plants, equipment, or materials to preserve, procure, or grow food.

Subd. 4. Reporting. Recipients shall report on the use of American Indian food sovereignty funding program money under this section to the commissioner.
The commissioner shall determine the timing and form required for the reports.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 11. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 24. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 23. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 22. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Sec. 21. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 20. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 19. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 18. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 17. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 16. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 15. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 14. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 13. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 12. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 11. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 10. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

The commissioner shall determine the timing and form required for the reports.

Sec. 9. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

Subd. 2. (3) provides financial coaching to program participants under subdivision 4a.

Subdivision 1. Establishment. The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.
"Financial institution" means a bank, bank and trust, savings bank, savings association, or credit union, the deposits of which are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.

The commissioner shall allocate funds to participating fiduciary organizations to manage the program. The plan must equitably distribute funds to achieve geographic balance and document the capacity of participating fiduciary organizations to manage the program. A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.

The commissioner shall allocate funds to participating fiduciary organizations to manage the program. The plan must equitably distribute funds to achieve geographic balance and document the capacity of participating fiduciary organizations to manage the program. A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.

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The commissioner shall allocate funds to participating fiduciary organizations to manage the program. The plan must equitably distribute funds to achieve geographic balance and document the capacity of participating fiduciary organizations to manage the program. A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.

The commissioner shall allocate funds to participating fiduciary organizations to manage the program. The plan must equitably distribute funds to achieve geographic balance and document the capacity of participating fiduciary organizations to manage the program. A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.

The commissioner shall allocate funds to participating fiduciary organizations to manage the program. The plan must equitably distribute funds to achieve geographic balance and document the capacity of participating fiduciary organizations to manage the program. A portion of funds appropriated for this section may be expended on evaluation of the Minnesota family assets for independence initiative.
(2) asset-specific training related to buying a home or vehicle, acquiring postsecondary education, or starting or expanding a small business, saving for emergencies, or saving for a child's education; and

(3) financial stability education and training to improve and sustain financial security.

Sec. 14. Minnesota Statutes 2022, section 256E.35, subdivision 6, is amended to read:

Subd. 6. Withdrawal; matching; permissible uses. (a) To receive a match, a participating household must transfer funds withdrawn from a family asset account to its matching fund custodial account held by the fiscal agent, according to the family asset agreement. The fiscal agent must determine if the match request is for a permissible use consistent with the household's family asset agreement.

(b) The fiscal agent must ensure the household's custodial account contains the applicable matching funds to match the balance in the household's account, including interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches must be a contribution of $3 from state grant or TANF funds for every $1 of funds withdrawn from the family asset account not to exceed a $6,000 lifetime limit.

(c) Notwithstanding paragraph (b), if funds are appropriated for the Federal Assets for Independence Act of 1998, and a participating fiduciary organization is awarded a grant under that act, participating households with that fiduciary organization must be provided matches as follows:

(1) from state grant and TANF funds, a matching contribution of $1.50 for every $1 of funds withdrawn from the family asset account not to exceed a $6,000 lifetime limit;

and

(2) from nonstate funds, a matching contribution of not less than $1.50 for every $1 of funds withdrawn from the family asset account not to exceed a $6,000 lifetime limit.

(d) Upon receipt of transferred custodial account funds, the fiscal agent must make a direct payment to the vendor of the goods or services for the permissible use.

Sec. 15. Minnesota Statutes 2022, section 256E.35, subdivision 7, is amended to read:

Subd. 7. Program reporting. The fiscal agent on behalf of each fiduciary organization participating in a family assets for independence initiative must report quarterly to the commissioner of human services identifying the participants with accounts, the number of accounts, the amount of savings and matches for each participant's account, the uses of the account, the number of businesses, homes, vehicles, and educational services paid for with money from the account, and the amount of contributions to Minnesota 529 savings plans and emergency savings accounts, as well as other information that may be required for the commissioner to administer the program and meet federal TANF reporting requirements.

Sec. 27. Minnesota Statutes 2022, section 256E.35, subdivision 6, is amended to read:

Subd. 6. Withdrawal; matching; permissible uses. (a) To receive a match, a participating household must transfer funds withdrawn from a family asset account to its matching fund custodial account held by the fiscal agent, according to the family asset agreement. The fiscal agent must determine if the match request is for a permissible use consistent with the household's family asset agreement.

(b) The fiscal agent must ensure the household's custodial account contains the applicable matching funds to match the balance in the household's account, including interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches must be a contribution of $3 from state grant or TANF funds for every $1 of funds withdrawn from the family asset account not to exceed a $6,000 lifetime limit.
Subd. 7. Countable income. (a) "Countable income" means all income received by an applicant or recipient as described under section 256P.06, less any applicable exclusions or disregards. For a recipient of any cash benefit from the SSI program, countable income means the SSI benefit limit in effect at the time the person is a recipient of housing support, less the medical assistance personal needs allowance under section 256B.35. If the SSI limit or benefit is reduced for a person due to events other than receipt of additional income, countable income means actual income less any applicable exclusions and disregards.

(b) For a recipient of any cash benefit from the SSI program who does not live in a setting described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable income equals the SSI benefit limit in effect at the time the person is a recipient of housing support, less the personal needs allowance under section 256B.35. If the SSI limit or benefit is reduced for a person due to events other than receipt of additional income, countable income equals actual income less any applicable exclusions and disregards.

(c) For a recipient of any cash benefit from the SSI program who lives in a setting as described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable income equals 30 percent of the SSI benefit limit in effect at the time a person is a recipient of housing support, less the personal needs allowance under section 256B.35. If the SSI limit or benefit is reduced for a person due to events other than receipt of additional income, countable income equals 30 percent of the actual income less any applicable exclusions and disregards. For recipients under this paragraph, the personal needs allowance described in section 256B.35 does not apply.

(d) Notwithstanding the earned income disregard described in section 256P.03, for a recipient of unearned income as defined in section 256P.06, subdivision 3, clause (2), other than SSI and the general assistance personal needs allowance who lives in a setting described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable income equals 30 percent of the recipient's total income after applicable exclusions and disregards. Total income includes any unearned income as defined in section 256P.06 and any earned income in the month the person is a recipient of housing support. For recipients under this paragraph, the personal needs allowance described in section 256B.35 does not apply.

(e) For a recipient who lives in a setting as described in section 256I.04, subdivision 2a, paragraph (b), clause (2), and receives general assistance, the personal needs allowance described in section 256B.35 is not countable unearned income.

EFFECTIVE DATE. This section is effective October 1, 2024.
Sec. 17. Minnesota Statutes 2022, section 256I.03, subdivision 13, is amended to read:

Subd. 13. Prospective budgeting. "Prospective budgeting" means estimating the amount of
monthly income a person will have in the payment month has the meaning given in
section 256P.09, subdivision 2a.

EFFECTIVE DATE. This section is effective March 1, 2025.

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

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 19. Minnesota Statutes 2022, section 256I.05, subdivision 2a, is amended to read:

Subd. 2a. When to terminate assistance. An agency must terminate benefits when the
assistance unit fails to submit the household report form before the end of the month in
which it is due. The termination shall be effective on the first day of the month following
the month in which the report was due. If the assistance unit submits the household report
form within 30 days of the termination of benefits and remains eligible, benefits must be
reinstated and made available retroactively for the full benefit month.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 20. Minnesota Statutes 2022, section 256I.06, subdivision 8, is amended to read:

Subd. 8. Amount of housing support payment. (a) The amount of a room and board
payment to be made on behalf of an eligible individual is determined by subtracting the
individual’s countable income under section 256I.04, subdivision 1, for a whole calendar
month from the room and board rate for that same month. The housing support payment is
determined by multiplying the housing support rate times the period of time the individual
was a resident or temporarily absent under section 256I.05, subdivision 2a.

(b) For an individual with earned income under paragraph (a), prospective budgeting
according to section 256P.09 must be used to determine the amount of the individual’s
payment to be made on behalf of an eligible individual is determined by subtracting the
individual’s countable income under section 256I.04, subdivision 1, for a whole calendar
month from the room and board rate for that same month. The housing support payment is
determined by multiplying the housing support rate times the period of time the individual
was a resident or temporarily absent under section 256I.05, subdivision 2a.

(b) For an individual with earned income under paragraph (a), prospective budgeting
according to section 256P.09 must be used to determine the amount of the individual’s

EFFECTIVE DATE. This section is effective March 1, 2025.
payment for the following six-month period. An increase in income shall not affect an individual’s eligibility or payment amount until the month following the reporting month. A decrease in income shall be effective the first day of the month after the month in which the decrease is reported.

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

EFFECTIVE DATE. This section is effective March 1, 2025.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 33. Minnesota Statutes 2022, section 256J.01, subdivision 1, is amended to read:
Subdivision 1. Implementation of Minnesota family investment program (MFIP). Except for section 256J.95, this chapter and chapter 256K may be cited as the Minnesota family investment program (MFIP). MFIP is the statewide implementation of components of the Minnesota family investment plan (MFIP) authorized and formerly codified in section 256.031 and Minnesota family investment plan-Ramsey County (MFIP-R) formerly codified in section 256.047.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 34. Minnesota Statutes 2022, section 256J.02, subdivision 2, is amended to read:
Subd. 2. Use of money. State money appropriated for purposes of this section and TANF block grant money must be used for:
(1) financial assistance to or on behalf of any minor child who is a resident of this state under section 256J.12;
(2) the health care and human services training and retention program under chapter 116L, for costs associated with families with children with incomes below 200 percent of the federal poverty guidelines;
(3) the pathways program under section 116L.04, subdivision 1a;
(4) welfare to work transportation authorized under Public Law 105-178;
(5) reimbursements for the federal share of child support collections passed through to the custodial parent;
(6) program administration under this chapter;
(7) the MFIP consolidated fund under section 256J.626; and
(8) the Minnesota Department of Health consolidated fund under Laws 2001, First Special Session chapter 9, article 17, section 3, subdivision 2.
Sec. 35. Minnesota Statutes 2022, section 256J.08, subdivision 65, is amended to read:

Subd. 65. Participant.

(a) "Participant" includes any of the following:

(1) a person who is currently receiving cash assistance or the food portion available through MFIP;

(2) a person who withdraws a cash or food assistance payment by electronic transfer or receives and cashes an MFIP assistance check or food coupons and is subsequently determined to be ineligible for assistance for that period of time is a participant, regardless whether that assistance is repaid;

(3) the caregiver relative and the minor child whose needs are included in the assistance payment;

(4) a person in an assistance unit who does not receive a cash and food assistance payment because the case has been suspended from MFIP;

(5) a person who receives cash payments under the diversionary work program under section 256J.95;

(b) "Participant" does not include a person who fails to withdraw or access electronically any portion of the person's cash and food assistance payment by the end of the payment month, who makes a written request for closure before the first of a payment month and repays cash and food assistance electronically issued for that payment month within that payment month, or who returns any uncashed assistance check and food coupons and withdraws from the program.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 36. Minnesota Statutes 2022, section 256J.08, subdivision 71, is amended to read:

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

EFFECTIVE DATE. This section is effective March 1, 2024.
(2) from the same source or of the same type that is received and budgeted in a
prospective month and is received in one or both of the first two retrospective months.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 23. Minnesota Statutes 2022, section 256J.11, subdivision 1, is amended to read:

(a) To be eligible for MFIP, a member of the assistance unit must be a citizen of the United States, a qualified noncitizen as defined in section 256D.08, or a noncitizen who is otherwise residing lawfully in the United States. A qualified noncitizen meets one of the following criteria:

(1) was admitted to the United States as a refugee under United States Code, title 8, section 1157;
(2) was granted asylum under United States Code, title 8, section 1158;
(3) was granted withholding of deportation under United States Code, title 8, section 1253(h);
(4) is a veteran of the United States armed forces with an honorable discharge for a reason other than noncitizen status, or is a spouse or unmarried minor dependent child of the same; or
(5) is an individual on active duty in the United States armed forces, other than for training, or is a spouse or unmarried minor dependent child of the same.

Subdivision 1. General citizenship requirements. (a) To be eligible for MFIP, a member of the assistance unit must be a citizen of the United States, a qualified noncitizen as defined in section 256D.08, or a noncitizen who is otherwise residing lawfully in the United States. A qualified noncitizen meets one of the following criteria:

(b) A qualified noncitizen who entered the United States on or after August 22, 1996, is eligible for MFIP. However, TANF dollars cannot be used to fund the MFIP benefits for an individual under this paragraph for a period of five years after the date of entry unless the qualified noncitizen meets one of the following criteria:

(1) was admitted to the United States as a refugee under United States Code, title 8, section 1157;
(2) was granted asylum under United States Code, title 8, section 1158;
(3) was granted withholding of deportation under United States Code, title 8, section 1253(h);
(4) is a veteran of the United States armed forces with an honorable discharge for a reason other than noncitizen status, or is a spouse or unmarried minor dependent child of the same; or
(5) is an individual on active duty in the United States armed forces, other than for training, or is a spouse or unmarried minor dependent child of the same.

(c) A person who is not a qualified noncitizen but who is otherwise residing lawfully in the United States is eligible for MFIP. However, TANF dollars cannot be used to fund the MFIP benefits for an individual under this paragraph.

(d) For purposes of this subdivision, a nonimmigrant in one or more of the classes listed in United States Code, title 8, section 1101(a)(15)(A)-(S) and (V), or an undocumented

EFFECTIVE DATE. This section is effective March 1, 2025.
immigrant who resides in the United States without the approval or acquiescence of the United States Citizenship and Immigration Services, is not eligible for MFIP.

EFFECTIVE DATE. This section is effective March 1, 2024; or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 24. Minnesota Statutes 2022, section 256J.21, subdivision 3, is amended to read:

Subd. 3. Initial income test. (a) The agency shall determine initial eligibility by considering all earned and unearned income as defined in section 256P.06. To be eligible for MFIP, the assistance unit's countable income minus the earned income disregards in paragraph (a) and section 256P.03 must be below the family wage level according to section 256J.24, subdivision 7, for that size assistance unit.

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 25. Minnesota Statutes 2022, section 256J.21, subdivision 4, is amended to read:

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

(a) Apply an income disregard as defined in section 256P.03, to gross earnings and subtract this amount from the family wage level. If the difference is equal to or greater than the MFIP transitional standard, the assistance payment is equal to the MFIP transitional standard. If the difference is less than the MFIP transitional standard, the assistance payment

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 40. Minnesota Statutes 2022, section 256J.21, subdivision 3, is amended to read:

Subd. 3. Initial income test. (a) The agency shall determine initial eligibility by considering all earned and unearned income as defined in section 256P.06. To be eligible for MFIP, the assistance unit's countable income minus the earned income disregards in paragraph (a) and section 256P.03 must be below the family wage level according to section 256J.24, subdivision 7, for that size assistance unit.

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 41. Minnesota Statutes 2022, section 256J.21, subdivision 4, is amended to read:

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 26. Minnesota Statutes 2022, section 256J.26, subdivision 1, is amended to read:

Subdivision 1. Person convicted of drug offenses. (a) An individual who has been convicted of a felony level drug offense committed during the previous ten years from the date of application or recertification is subject to the following:

(1) Benefits for the entire assistance unit must be paid in vendor form for shelter and utilities during any time the applicant is part of the assistance unit.

(2) The convicted applicant or participant shall be subject to random drug testing as a condition of continued eligibility and, following any positive test for an illegal controlled substance is subject to the following sanctions, the county must provide information about substance use disorder treatment programs to the applicant or participant.

(3) For failing a drug test the first time, the residual amount of the participant’s grant after making vendor payments for shelter and utility costs, if any, must be reduced by an amount equal to 25 percent of the MFIP standard of need for an assistance unit of the same size.

When a sanction under this subdivision is in effect, the job counselor must attempt to meet with the person face-to-face. During the face-to-face meeting, the job counselor must explain the consequences of a subsequent drug test failure and inform the participant of the right to

is equal to the difference. The earned income disregard in this paragraph must be deducted every month there is earned income.

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

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

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2025.
appeal the sanction under section 256J.40. If a face-to-face meeting is not possible, the county agency must send the participant a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face meeting.

(4) for failing a drug test two times, the participant is permanently disqualified from receiving MFIP assistance, both the cash and food portions. The assistance unit's MFIP grant must be reduced by the amount which would have otherwise been made available to the participant.

(2) for failing a drug test two times, the participant is permanently disqualified from receiving MFIP assistance, both the cash and food portions. The assistance unit's MFIP grant must be reduced by the amount which would have otherwise been made available to the participant.

(b) Applicants requesting only SNAP benefits or participants receiving only SNAP benefits, who have been convicted of a felony-level drug offense that occurred after July 1, 1997, during the previous ten years from the date of application or recertification may, if otherwise eligible, receive SNAP benefits if they are subject to random drug testing as a condition of continued eligibility. Following a positive test for an illegal controlled substance, the applicant is subject to the following sanctions: county must provide information about substance use disorder treatment programs to the applicant or participant.

(1) for failing a drug test the first time, SNAP benefits shall be reduced by an amount equal to 20 percent of the applicable SNAP benefit allotment. When a sanction under this clause is in effect, a job counselor must attempt to meet with the person face-to-face during the face-to-face meeting. The convicted applicant or participant may be subject to random drug testing as a condition of continued eligibility. Following a positive test for an illegal controlled substance, the applicant is subject to the following sanctions: county must provide information about substance use disorder treatment programs to the applicant or participant.
the disqualification under section 256J.40. If a face-to-face meeting is not possible, a county
agency must send the participant a notice of adverse action as provided in section 256J.31,
subdivisions 4 and 5, and must include the information required in the face-to-face meeting.
(c) For the purposes of this subdivision, "drug offense" means an offense convicted
that occurred during the previous ten years from the date of application or recertification
of sections 152.021 to 152.025, 152.0261, 152.0262, 152.096, or 152.137. Drug offense
also means a conviction in another jurisdiction of the possession, use, or distribution of a
controlled substance, or conspiracy to commit any of these offenses, if the offense conviction
occurred during the previous ten years from the date of application or recertification and
the conviction is a felony offense in that jurisdiction, or in the case of New Jersey, a high
misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2023.

Subd. 1. Determination of eligibility. (a) A county agency must determine MFIP
eligibility prospectively for a payment month based on retrospectively assessing income
and the county agency's best estimate of the circumstances that will exist in the payment
month.
(b) Except as described in section 256J.34, subdivision 1, when prospective eligibility
exists, a county agency must calculate the amount of the assistance payment using
retrospective prospective budgeting. To determine MFIP eligibility and the assistance
payment amount, a county agency must apply countable income, described in sections
256P.06 and 256J.37, subdivisions 3 to 48, received by members of an assistance unit or
by other persons whose income is counted for the assistance unit, described under sections
256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.
(c) This income must be applied to the MFIP standard of need or family wage level
subject to this section and sections 256J.34 to 256J.36. Countable income as described in
section 256P.06, subdivision 3, received in a calendar month must be applied to the needs
of an assistance unit.
(d) An assistance unit is not eligible when the countable income equals or exceeds the
MFIP standard of need or the family wage level for the assistance unit.

EFFECTIVE DATE. This section is effective March 1, 2025, except that the amendment
to paragraph (b) striking "10" and inserting "9" is effective July 1, 2024.

Sec. 28. Minnesota Statutes 2022, section 256J.33, subdivision 2, is amended to read:

Subd. 2. Prospective eligibility. An agency must determine whether the eligibility
requirements that pertain to an assistance unit, including those in sections 256J.11 to 256J.15
and 256P.02, will be met prospectively for the payment month. Except for the

the disqualification under section 256J.40. If a face-to-face meeting is not possible, a county
agency must send the participant a notice of adverse action as provided in section 256J.31,
subdivisions 4 and 5, and must include the information required in the face-to-face meeting.
(c) For the purposes of this subdivision, "drug offense" means an offense convicted
that occurred during the previous ten years from the date of application or recertification
of sections 152.021 to 152.025, 152.0261, 152.0262, 152.096, or 152.137. Drug offense
also means a conviction in another jurisdiction of the possession, use, or distribution of a
controlled substance, or conspiracy to commit any of these offenses, if the offense conviction
occurred during the previous ten years from the date of application or recertification and
the conviction is a felony offense in that jurisdiction, or in the case of New Jersey, a high
misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2023.
provisions in section 256J.34, subdivision 1. The income test will be applied retrospectively.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 29. Minnesota Statutes 2022, section 256J.35, is amended to read:

256J.35 AMOUNT OF ASSISTANCE PAYMENT.

Except as provided in paragraphs (a) to (d), the amount of an assistance payment is equal to the difference between the MFIP standard of need or the Minnesota family wage level in section 256J.34 and countable income.

(a) Beginning July 1, 2015, MFIP assistance units are eligible for an MFIP housing assistance grant of $110 per month, unless:

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

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

(b) On October 1 of each year, the commissioner shall adjust the MFIP housing assistance grant in paragraph (a) for inflation based on the CPI-U for the prior calendar year.

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

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

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

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 30. Minnesota Statutes 2022, section 256J.37, subdivision 3, is amended to read:

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

EFFECTIVE DATE. This section is effective March 1, 2025.
Sec. 31. Minnesota Statutes 2022, section 256J.37, subdivision 3a, is amended to read:

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

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

(1) age 60 or older;

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

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

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

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 47. Minnesota Statutes 2022, section 256J.40, is amended to read:

256J.40 FAIR HEARINGS.

Caregivers receiving a notice of intent to sanction or a notice of adverse action that includes a sanction, reduction in benefits, suspension of benefits, denial of benefits, or termination of benefits may request a fair hearing. A request for a fair hearing must be submitted in writing to the county agency or to the commissioner and must be mailed within 30 days after a participant or former participant receives written notice of the agency's action or within 90 days when a participant or former participant shows good cause for not submitting the request within 30 days. A former participant who receives a notice of adverse action due to an overpayment may appeal the adverse action according to the requirements in this section. Issues that may be appealed are:

(1) the amount of the assistance payment;

(2) a suspension, reduction, denial, or termination of assistance;
(3) the basis for an overpayment, the calculated amount of an overpayment, and the level of recoupment;

(4) the eligibility for an assistance payment; and

(5) the use of protective or vendor payments under section 256J.39, subdivision 2, clauses (1) to (3).

Except for benefits issued under section 256J.95, a county agency must not reduce, suspend, or terminate payment when an aggrieved participant requests a fair hearing prior to the effective date of the adverse action or within ten days of the mailing of the notice of adverse action, whichever is later, unless the participant requests in writing not to receive continued assistance pending a hearing decision.

An appeal request cannot extend benefits for the diversionary work program under section 256J.95 beyond the four-month time limit. Assistance issued pending a fair hearing is subject to recovery under section 256P.08 when as a result of the fair hearing decision the participant is determined ineligible for assistance or the amount of the assistance received. A county agency may increase or reduce an assistance payment while an appeal is pending when the circumstances of the participant change and are not related to the issue on appeal. The commissioner's order is binding on a county agency. No additional notice is required to enforce the commissioner's order.

A county agency shall reimburse appellants for reasonable and necessary expenses of attendance at the hearing, such as child care and transportation costs and for the transportation expenses of the appellant's witnesses and representatives to and from the hearing. Reasonable and necessary expenses do not include legal fees. Fair hearings must be conducted at a reasonable time and date by an impartial human services judge employed by the department. The hearing may be conducted by telephone or at a site that is readily accessible to persons with disabilities.

The appellant may introduce new or additional evidence relevant to the issues on appeal. Recommendations of the human services judge and decisions of the commissioner must be based on evidence in the hearing record and are not limited to a review of the county agency action.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 48. Minnesota Statutes 2022, section 256J.42, subdivision 5, is amended to read:

Subd. 5. Exemption for certain families. (a) Any cash assistance received by an assistance unit does not count toward the 60-month limit on assistance during a month in which the caregiver is age 60 or older;

(b) From July 1, 1997, until the date MFIP is operative in the caregiver's county of financial responsibility, any cash assistance received by a caregiver who is complying with Minnesota Statutes 1996, section 256.73; subdivision 5a; and Minnesota Statutes 1998, section 256.736; if applicable, does not count toward the 60-month limit on assistance; Thereafter, any cash assistance received by a minor caregiver who is complying with the
requirements of sections 256J.14 and 256J.54, if applicable, does not count towards the 60-month limit on assistance.

(e) Any diversionary assistance or emergency assistance received prior to July 1, 2003, does not count toward the 60-month limit.

(d) Any cash assistance received by an 18- or 19-year-old caregiver who is complying with an employment plan that includes an education option under section 256J.54 does not count toward the 60-month limit.

(e) Payments provided to meet short-term emergency needs under section 256J.626 and diversionary work program benefits provided under section 256J.95 do not count toward the 60-month time limit.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 32. Minnesota Statutes 2022, section 256J.425, subdivision 1, is amended to read:

Subdivision 1. Eligibility. (a) To be eligible for a hardship extension, a participant in an assistance unit subject to the time limit under section 256J.42, subdivision 1, must be in compliance in the participant's 60th counted month. For purposes of determining eligibility for a hardship extension, a participant is in compliance in any month that the participant has not been sanctioned. In order to maintain eligibility for any of the hardship extensions a participant shall develop and comply with either an employment plan or a family stabilization services plan, whichever is appropriate.

(b) If one participant in a two-parent assistance unit is determined to be ineligible for a hardship extension, the county shall give the assistance unit the option of disqualifying the ineligible participant from MFIP. In that case, the assistance unit shall be treated as a one-parent assistance unit.

(c) Prior to denying an extension, the county must review the sanction status and determine whether the sanction is appropriate or if good cause exists under section 256J.57. If the sanction was inappropriately applied or the participant is granted a good cause exception before the end of month 60, the participant shall be considered for an extension.

EFFECTIVE DATE. This section is effective May 1, 2024.

Sec. 33. Minnesota Statutes 2022, section 256J.425, subdivision 4, is amended to read:

Subd. 4. Employed participants. (a) An assistance unit subject to the time limit under section 256J.42, subdivision 1, is eligible to receive assistance under a hardship extension if the participant who reached the time limit belongs to:

1. a one-parent assistance unit in which the participant is participating in work activities for at least 30 hours per week, of which an average of at least 25 hours per week every month are spent participating in employment;
(2) a two-parent assistance unit in which the participants are participating in work activities for at least 55 hours per week, of which an average of at least 45 hours per week every month are spent participating in employment; or

(3) an assistance unit in which a participant is participating in employment for fewer hours than those specified in clause (1), and the participant submits verification from a qualified professional, in a form acceptable to the commissioner, stating that the number of hours the participant may work is limited due to illness or disability, as long as the participant is participating in employment for at least the number of hours specified by the qualified professional. The participant must be following the treatment recommendations of the qualified professional providing the verification. The commissioner shall develop a form to be completed and signed by the qualified professional, documenting the diagnosis and any additional information necessary to document the functional limitations of the participant that limit work hours. If the participant is part of a two-parent assistance unit, the other parent must be treated as a one-parent assistance unit for purposes of meeting the work requirements under this subdivision.

(b) For purposes of this section, employment means:

1. unsubsidized employment under section 256J.49, subdivision 13, clause (1);
2. subsidized employment under section 256J.49, subdivision 13, clause (2);
3. on-the-job training under section 256J.49, subdivision 13, clause (2);
4. an apprenticeship under section 256J.49, subdivision 13, clause (1);
5. supported work under section 256J.49, subdivision 13, clause (2);
6. a combination of clauses (1) to (5); or
7. child care under section 256J.49, subdivision 13, clause (7), if it is in combination with paid employment.

(c) If a participant is complying with a child protection plan under chapter 260C, the number of hours required under the child protection plan count toward the number of hours required under this subdivision.

(d) The county shall provide the opportunity for subsidized employment to participants needing that type of employment within available appropriations.

(e) To be eligible for a hardship extension for employed participants under this subdivision, a participant must be in compliance for at least ten out of the 12 months the participant received MFIP immediately preceding the participant’s 61st month on assistance.

If ten or fewer months of eligibility for TANF assistance remain at the time the participant from another state applies for assistance, the participant must be in compliance every month.

(4) (c) The employment plan developed under section 256J.521, subdivision 2, for participants under this subdivision must contain at least the minimum number of hours

The employment plan developed under section 256J.521, subdivision 2, for participants under this subdivision must contain at least the minimum number of hours required under the child protection plan count toward the number of hours required under this subdivision.

(d) The county shall provide the opportunity for subsidized employment to participants needing that type of employment within available appropriations.
Participants who fail to meet the requirements in paragraph (a), without eligibility for another hardship extension or good cause under section 256J.57, shall be subject to sanction or permanently disqualified under subdivision 6. Good cause may only be granted for that portion of the month for which the good cause reason applies case closure.

Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure.

If the noncompliance with an employment plan is due to the involuntary loss of employment, the participant is exempt from the hourly employment requirement under this subdivision for one month. Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure if ineligible for another hardship extension.

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 34. Minnesota Statutes 2022, section 256J.425, subdivision 5, is amended to read:

Subd. 5. Accrual of certain exempt months. (a) Participants who are not eligible for assistance under a hardship extension under this section shall be eligible for a hardship extension for a period of time equal to the number of months that were counted toward the 60-month time limit while the participant was a caregiver with a child or an adult in the household who meets the disability or medical criteria for home care services under section 256B.0651, subdivision 1, paragraph (c), or a home and community-based waiver services program under chapter 256B, or meets the criteria for severe emotional disturbance under section 245.4871, subdivision 6, or for serious and persistent mental illness under section 245.462, subdivision 20, paragraph (c), and who was subject to the requirements in section 256J.561, subdivision 2.

(b) A participant who received MFIP assistance that counted toward the 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5, is eligible for assistance under a hardship extension for a period of time equal to the number of months that were counted toward the 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5.

(c) After the accrued months have been exhausted, the county agency must determine if the assistance unit is eligible for an extension under another extension category in subdivision 2, 3, or 4.

(d) At the time of the case review, a county agency must explain to the participant the basis for receiving a hardship extension based on the accrual of exempt months. The participant must provide documentation necessary to enable the county agency to determine if the assistance unit is eligible for an extension under another extension category in subdivision 2, 3, or 4.

(e) Participants who fail to meet the requirements in paragraph (a), without eligibility for another hardship extension or good cause under section 256J.57, shall be subject to sanction or permanently disqualified under subdivision 6. Good cause may only be granted for that portion of the month for which the good cause reason applies case closure.

Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure.

If the noncompliance with an employment plan is due to the involuntary loss of employment, the participant is exempt from the hourly employment requirement under this subdivision for one month. Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure if ineligible for another hardship extension.

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 34. Minnesota Statutes 2022, section 256J.425, subdivision 5, is amended to read:

Subd. 5. Accrual of certain exempt months. (a) Participants who are not eligible for assistance under a hardship extension under this section shall be eligible for a hardship extension for a period of time equal to the number of months that were counted toward the 60-month time limit while the participant was a caregiver with a child or an adult in the household who meets the disability or medical criteria for home care services under section 256B.0651, subdivision 1, paragraph (c), or a home and community-based waiver services program under chapter 256B, or meets the criteria for severe emotional disturbance under section 245.4871, subdivision 6, or for serious and persistent mental illness under section 245.462, subdivision 20, paragraph (c), and who was subject to the requirements in section 256J.561, subdivision 2.

(b) A participant who received MFIP assistance that counted toward the 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5, is eligible for assistance under a hardship extension for a period of time equal to the number of months that were counted toward the 60-month time limit while the participant met the state time limit exemption criteria under section 256J.42, subdivision 4 or 5.

(c) After the accrued months have been exhausted, the county agency must determine if the assistance unit is eligible for an extension under another extension category in subdivision 2, 3, or 4.

(d) At the time of the case review, a county agency must explain to the participant the basis for receiving a hardship extension based on the accrual of exempt months. The participant must provide documentation necessary to enable the county agency to determine if the assistance unit is eligible for an extension under another extension category in subdivision 2, 3, or 4.

(e) Participants who fail to meet the requirements in paragraph (a), without eligibility for another hardship extension or good cause under section 256J.57, shall be subject to sanction or permanently disqualified under subdivision 6. Good cause may only be granted for that portion of the month for which the good cause reason applies case closure.

Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure.

If the noncompliance with an employment plan is due to the involuntary loss of employment, the participant is exempt from the hourly employment requirement under this subdivision for one month. Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure if ineligible for another hardship extension.

EFFECTIVE DATE. This section is effective May 1, 2026.

Specified in paragraph (a) for the purpose of meeting the requirements for an extension under this subdivision. The job counselor and the participant must sign the employment plan to indicate agreement between the job counselor and the participant on the contents of the plan.

Participants who fail to meet the requirements in paragraph (a), without eligibility for another hardship extension or good cause under section 256J.57, shall be subject to sanction or permanently disqualified under subdivision 6. Good cause may only be granted for that portion of the month for which the good cause reason applies case closure.

Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure.

If the noncompliance with an employment plan is due to the involuntary loss of employment, the participant is exempt from the hourly employment requirement under this subdivision for one month. Participants must meet all remaining requirements in the approved employment plan or be subject to sanction or permanent disqualification case closure if ineligible for another hardship extension.
whether the participant is eligible to receive a hardship extension based on the accrual of
exempt months or authorize a county agency to verify the information.

(a) While receiving extended MFIP assistance under this subdivision, a participant is
subject to the MFIP policies that apply to participants during the first 60 months of MFIP;
unless the participant is a member of a two-parent family, in which one parent is extended
under subdivision 3 or 4. For two-parent families in which one parent is extended under
subdivision 3 or 4, the sanction provisions in subdivision 6 shall apply.

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 52. Minnesota Statutes 2022, section 256J.425, subdivision 7, is amended to read:

Subd. 7. Status of disqualified participants closed cases. (a) An assistance unit that
is disqualified has its case closed under subdivision 6, paragraph (a), section 256J.46 may
be approved for MFIP if the participant complies with MFIP program requirements and
substantiates compliance for up to one month. No assistance shall be paid during this period.

(b) An assistance unit that is disqualified has its case closed under subdivision 6,
paragraph (a), section 256J.46 and that reappears under paragraph (a) is subject to sanction
under section 256J.46, subdivision 1, paragraph (c), clause (2), for a first occurrence of
noncompliance. A subsequent occurrence of noncompliance results in a permanent
disqualification.

(c) If one participant in a two-parent assistance unit receiving assistance under a hardship
extension under subdivision 3 or 4 is determined to be out of compliance with the
employment and training services requirements under sections 256J.521 to 256J.57, the
county shall give the assistance unit the option of disqualifying the noncompliant participant
from MFIP. In that case, the assistance unit shall be treated as a one-parent assistance unit
for the purposes of meeting the work requirements under subdivision 4. An applicant who
is disqualified from receiving assistance under this paragraph may reapply under paragraph
(a). If a participant is disqualified from MFIP under this subdivision a second time, the
participant is permanently disqualified from MFIP.

(4) (c) Prior to a disqualification case closure under this subdivision, a county agency
must review the participant's case to determine if the employment plan is still appropriate
and attempt to meet with the participant face-to-face. If a face-to-face meeting is not
conducted, the county agency must send the participant a notice of adverse action as provided
in section 256J.31. During the face-to-face meeting, the county agency must:

(1) determine whether the continued noncompliance can be explained and mitigated by
providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,
clause (9);

(2) determine whether the participant qualifies for a good cause exception under section
256J.57;

whether the participant is eligible to receive a hardship extension based on the accrual of
exempt months or authorize a county agency to verify the information.

(a) While receiving extended MFIP assistance under this subdivision, a participant is
subject to the MFIP policies that apply to participants during the first 60 months of MFIP;
unless the participant is a member of a two-parent family, in which one parent is extended
under subdivision 3 or 4. For two-parent families in which one parent is extended under
subdivision 3 or 4, the sanction provisions in subdivision 6 shall apply.

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 35. Minnesota Statutes 2022, section 256J.425, subdivision 7, is amended to read:

Subd. 7. Status of disqualified participants closed cases. (a) An assistance unit that
is disqualified has its case closed under subdivision 6, paragraph (a), section 256J.46 may
be approved for MFIP if the participant complies with MFIP program requirements and
substantiates compliance for up to one month. No assistance shall be paid during this period.

(b) An assistance unit that is disqualified has its case closed under subdivision 6,
paragraph (a), section 256J.46 and that reappears under paragraph (a) is subject to sanction
under section 256J.46, subdivision 1, paragraph (c), clause (2), for a first occurrence of
noncompliance. A subsequent occurrence of noncompliance results in a permanent
disqualification.

(c) If one participant in a two-parent assistance unit receiving assistance under a hardship
extension under subdivision 3 or 4 is determined to be out of compliance with the
employment and training services requirements under sections 256J.521 to 256J.57, the
county shall give the assistance unit the option of disqualifying the noncompliant participant
from MFIP. In that case, the assistance unit shall be treated as a one-parent assistance unit
for the purposes of meeting the work requirements under subdivision 4. An applicant who
is disqualified from receiving assistance under this paragraph may reapply under paragraph
(a). If a participant is disqualified from MFIP under this subdivision a second time, the
participant is permanently disqualified from MFIP.

(4) (c) Prior to a disqualification case closure under this subdivision, a county agency
must review the participant's case to determine if the employment plan is still appropriate
and attempt to meet with the participant face-to-face. If a face-to-face meeting is not
conducted, the county agency must send the participant a notice of adverse action as provided
in section 256J.31. During the face-to-face meeting, the county agency must:

(1) determine whether the continued noncompliance can be explained and mitigated by
providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,
clause (9);

(2) determine whether the participant qualifies for a good cause exception under section
256J.57;
inform the participant of the family violence waiver criteria and make appropriate
assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor
notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
Subdivision 1. Participants not complying with program requirements. (a) A
participant who fails without good cause under section 256J.57 to comply with the
requirements of this chapter for orientation under section 256J.45, or employment and
training services under sections 256J.515 to 256J.57, and who is not subject to a sanction
under subdivision 2, shall be subject to a sanction or case closure as provided in this
Subdivision 1. Good cause may only be granted for the month for which the good
cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a
notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
notice of adverse action as provided in section 256J.31, subdivision 5.
(b) A sanction under this subdivision becomes effective the month following the month
in which a required notice is given. A sanction must not be imposed when a participant
comes into compliance with the requirements for orientation under section 256J.45 prior to
the effective date of the sanction. A sanction must not be imposed when a participant comes
into compliance with the requirements for employment and training services under sections
256J.515 to 256J.57, and who is not subject to a sanction
under subdivision 2, shall be subject to a sanction or case closure as provided in this
Subdivision 1. Good cause may only be granted for the month for which the good
cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a
notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
notice of adverse action as provided in section 256J.31, subdivision 5.
(c) Sanctions for noncompliance shall be imposed as follows:
(1) For the first occurrence of noncompliance by a participant in an assistance unit, the
assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an
assistance unit of the same size with the residual grant paid to the participant. The reduction
in the grant amount must be in effect for a minimum of one month and shall be removed in
the month following the month that the participant returns to compliance.
(2) For a the first, second, third, fourth, fifth, or sixth consecutive occurrence of
noncompliance by a participant in an assistance unit, the assistance unit's shelter costs shall
be vendor paid up to the amount of the cash portion of the MFIP grants for which the
assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor
paid up to the amount of the cash portion of the sanctions for which the assistance unit is eligible. At county option, the assistance unit's
utilities may also be vendor paid up to the amount of the cash portion of the sanctions for which the assistance unit is eligible.
(3) inform the participant of the family violence waiver criteria and make appropriate
referrals if the waiver is requested;
(4) inform the participant of the participant's sanction status and explain the consequences
of continuing noncompliance;
(5) identify other resources that may be available to the participant to meet the needs of
the family; and
(6) inform the participant of the right to appeal under section 256J.40.

EFFECTIVE DATE. This section is effective May 1, 2026.

Subdivision 1. Participants not complying with program requirements. (a) A
participant who fails without good cause under section 256J.57 to comply with the
requirements of this chapter for orientation under section 256J.45, or employment and
training services under sections 256J.515 to 256J.57, and who is not subject to a sanction
under subdivision 2, shall be subject to a sanction or case closure as provided in this
Subdivision 1. Good cause may only be granted for the month for which the good
cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a
notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
notice of adverse action as provided in section 256J.31, subdivision 5.
(b) A sanction under this subdivision becomes effective the month following the month
in which a required notice is given. A sanction must not be imposed when a participant
comes into compliance with the requirements for orientation under section 256J.45 prior to
the effective date of the sanction. A sanction must not be imposed when a participant comes
into compliance with the requirements for employment and training services under sections
256J.515 to 256J.57, and who is not subject to a sanction
under subdivision 2, shall be subject to a sanction or case closure as provided in this
Subdivision 1. Good cause may only be granted for the month for which the good
cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a
notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
notice of adverse action as provided in section 256J.31, subdivision 5.
(c) Sanctions for noncompliance shall be imposed as follows:
(1) For the first occurrence of noncompliance by a participant in an assistance unit, the
assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an
assistance unit of the same size with the residual grant paid to the participant. The reduction
in the grant amount must be in effect for a minimum of one month and shall be removed in
the month following the month that the participant returns to compliance.
(2) For a the first, second, third, fourth, fifth, or sixth consecutive occurrence of
noncompliance by a participant in an assistance unit, the assistance unit's shelter costs shall
be vendor paid up to the amount of the cash portion of the MFIP grants for which the
assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor
paid up to the amount of the cash portion of the sanctions for which the assistance unit is eligible.
(3) inform the participant of the family violence waiver criteria and make appropriate
referrals if the waiver is requested;
(4) inform the participant of the participant's sanction status and explain the consequences
of continuing noncompliance;
(5) identify other resources that may be available to the participant to meet the needs of
the family; and
(6) inform the participant of the right to appeal under section 256J.40.

EFFECTIVE DATE. This section is effective May 1, 2026.
paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment of the assistance unit's shelter costs. The residual amount of the grant after vendor payment, if any, must be reduced by an amount equal to 30 percent of the cash and food portions, and redetermine the family's continued eligibility for Supplemental Nutrition Assistance Program (SNAP) payments. The MFIP case must remain closed for a minimum of one full month before the case is closed, the county agency must review the participant's case to determine if the employment plan is still appropriate.

When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

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When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.

When an assistance unit comes into compliance with the requirements in section 256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is sanctioned under this clause, the participant's case file must be reviewed to determine if the employment plan is still appropriate.
(v) inform the participant of the participant’s sanction status and explain the consequences of continuing noncompliance;

(vi) identify other resources that may be available to the participant to meet the needs of the family; and

(vii) inform the participant of the right to appeal under section 256J.40.

If the lack of an identified activity or service can explain the noncompliance, the county must work with the participant to provide the identified activity.

The grant must be restored to the full amount for which the assistance unit is eligible retroactively to the first day of the month in which the participant was found to lack preemployment activities or to qualify for a family violence waiver or for a good cause exemption under section 256.741, subdivision 10, or 256J.57.

(e) For the purpose of applying sanctions under this section, only consecutive occurrences of noncompliance that occur after May 1, 2026, shall be considered when counting the number of sanction occurrences under this subdivision. Active cases under sanction on May 1, 2026, shall be considered to have one sanction occurrence. If the participant is in 30 percent sanction in the month this section takes effect, that month counts as the first occurrence for purposes of applying the sanctions under this section, but the sanction shall remain at 30 percent for that month. When a participant comes into compliance, the assistance unit is considered to have zero sanctions.

(f) An assistance unit whose case is closed under paragraph (d) or (g), may reapply for MFIP using a form prescribed by the commissioner and shall be eligible if the participant complies with MFIP program requirements and demonstrates compliance for up to one month. No assistance shall be paid during this period. The county agency shall not start a new certification period for a participant who has submitted the reapplication form within 30 calendar days of case closure. The county agency must process the form according to section 256J.04, except that the county agency shall not require additional verification of information in the case file unless the information is inaccurate, questionable, or no longer current. If a participant does not reapply for MFIP within 30 calendar days of case closure, a new application must be completed.

(g) An assistance unit whose case has been closed for noncompliance that reapplies under paragraph (f) is subject to sanction under paragraph (c)–(2), for a first occurrence of noncompliance. Any subsequent occurrence of noncompliance shall result in and case closure under paragraph (d).

(h) If an assistance unit is in compliance by the 15th of the month in which the assistance unit has a sanction imposed, the reduction to the assistance unit’s cash grant shall be restored retroactively for the current month and the sanction occurrences shall be equal to zero.

EFFECTIVE DATE. This section is effective May 1, 2026.
Subd. 2. Sanctions for refusal to cooperate with support requirements. The grant of an MFIP caregiver who refuses to cooperate, as determined by the child support enforcement agency, with support requirements under section 256.741, shall be subject to sanction as specified in this subdivision and subdivision 1. For a first occurrence of noncooperation, the assistance unit's grant must be reduced by 25 percent of the applicable MFIP standard of need. Subsequent occurrences of noncooperation shall be subject to sanction under subdivision 1, paragraphs (c) to (h), except the assistance unit's cash portion of the grant must be reduced by 25 percent of the MFIP cash received by the assistance unit. The residual amount of the grant, if any, must be paid to the caregiver. A sanction under this subdivision becomes effective the first month following the month in which a required notice is given. A sanction must not be imposed when a caregiver comes into compliance with the requirements under section 256.741 prior to the effective date of the sanction. The sanction shall be removed in the month following the month that the caregiver cooperates with the support requirements, unless the requirements in subdivision 1, paragraph (h), are met. Each month that an MFIP caregiver fails to comply with the requirements of section 256.741 must be considered a separate occurrence of noncompliance for the purpose of applying sanctions under subdivision 1, paragraphs (c) to (h), and (d).

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 38. Minnesota Statutes 2022, section 256J.46, subdivision 2a, is amended to read:

Any vendor payment of shelter costs or utilities under this subdivision must remain in effect for six months after the month in which the participant is no longer subject to sanction under subdivision 1. If the participant was subject to sanction for noncooperation under subdivision 2 before being subject to sanction for noncooperation under subdivision 1, the participant is considered to have a second occurrence of noncooperation and shall be sanctioned as provided in subdivision 1, paragraph (c), clause (2). Each subsequent occurrence of noncooperation shall be considered one additional occurrence and shall be subject to the applicable level of sanction under subdivision 1. The residual amount of the grant, if any, must be paid to the caregiver. A sanction under this subdivision becomes effective the first month following the month in which a required notice is given. A sanction must not be imposed when a caregiver comes into compliance with the requirements under section 256.741 prior to the effective date of the sanction. The sanction shall be removed in the month following the month that the caregiver cooperates with the support requirements, unless the requirements in subdivision 1, paragraph (h), are met. Each month that an MFIP caregiver fails to comply with the requirements of section 256.741 must be considered a separate occurrence of noncompliance for the purpose of applying sanctions under subdivision 1, paragraphs (c) to (h), and (d).

EFFECTIVE DATE. This section is effective May 1, 2026.

Sec. 55. Minnesota Statutes 2022, section 256J.46, subdivision 2a, is amended to read:

Any vendor payment of shelter costs or utilities under this subdivision must remain in effect for six months after the month in which the participant is no longer subject to sanction under subdivision 1. If the participant was subject to sanction for noncooperation under subdivision 2 before being subject to sanction for noncooperation under subdivision 1, the participant is considered to have a second occurrence of noncooperation and shall be sanctioned as provided in subdivision 1, paragraph (c), clause (2). Each subsequent occurrence of noncooperation shall be considered one additional occurrence and shall be subject to the applicable level of sanction under subdivision 1. The residual amount of the grant, if any, must be paid to the caregiver.
A participant who first becomes subject to sanction under both subdivisions 1 and 2 in the same month is subject to sanction as follows:

1. In the first month of noncompliance and noncooperation, the participant's cash portion of the grant must be reduced by 30% of the applicable MFIP standard of need cash received by the assistance unit, with any residual amount paid to the participant.

2. In the second and subsequent months of noncompliance and noncooperation, the participant shall be subject to the applicable level of sanction under subdivision 1.

The requirement that the county conduct a review as specified in subdivision 1, paragraph (d), remains in effect.

A participant remains subject to sanction under subdivision 2 if the participant:

1. Returns to compliance and is no longer subject to sanction for noncompliance with section 256J.45 or sections 256J.515 to 256J.57; or

2. Has the sanction for noncompliance with section 256J.45 or sections 256J.515 to 256J.57 removed upon completion of the review under subdivision 1.

EFFECTIVE DATE. This section is effective May 1, 2026.

EFFECTIVE DATE. This section is effective March 1, 2024.

Subdivision 1. Employment and training services component of MFIP.

(a) Each county must develop and provide an employment and training services component which is designed to put participants on the most direct path to unsubsidized employment.

(b) A county must provide employment and training services under sections 256J.45 to 256J.57 within 30 days after the caregiver is determined eligible for MFIP, or within 30 days when the caregiver participated in the diversionary work program under section 256J.95 within the past 12 months.
This section is effective March 1, 2024.

Sec. 58. Minnesota Statutes 2022, section 256J.521, subdivision 1, is amended to read:

Subdivision 1. Assessments. (a) For purposes of MFIP employment services, assessment is a continuing process of gathering information related to employability for the purpose of identifying both participant's strengths and strategies for coping with issues that interfere with employment. The job counselor must use information from the assessment process to develop and update the employment plan under subdivision 2 or 3, as appropriate, to determine whether the participant qualifies for a family violence waiver including an employment plan under subdivision 3, and to determine whether the participant should be referred to family stabilization services under section 256J.575.

(b) The scope of assessment must cover at least the following areas:

1. Basic information about the participant's ability to obtain and retain employment, including: a review of the participant's education level; interests, skills, and abilities; prior employment or work experience; transferable work skills; child care and transportation needs;

2. Identification of personal and family circumstances that impact the participant's ability to obtain and retain employment, including: any special needs of the children; the level of English proficiency; family violence issues; and any involvement with social services or the legal system;

3. The results of a mental and chemical health screening tool designed by the commissioner and results of the brief screening tool for special learning needs. Screening tools for mental and chemical health and special learning needs must be approved by the commissioner and may only be administered by job counselors or county staff trained in using such screening tools. Participants must be told of the purpose of the screens and how the information will be used to assist the participant in identifying and overcoming barriers to employment. Screening for mental and chemical health and special learning needs must be completed by participants three months after development of the initial employment plan or earlier if there is a documented need. Failure to complete the screens will result in sanction under section 256J.46; and

4. A comprehensive review of participation and progress for participants who have received MFIP assistance and have not worked in unsubsidized employment during the past 12 months. The purpose of the review is to determine the need for additional services and supports, including placement in subsidized employment or unpaid work experience under section 256J.49, subdivision 13, or referral to family stabilization services under section 256J.575;

(e) Information gathered during a caregiver's participation in the diversionary work program under section 256J.55 must be incorporated into the assessment process.
The job counselor may require the participant to complete a professional chemical use assessment to be performed according to the rules adopted under section 254A.03, subdivision 3, including provisions in the administrative rules which recognize the cultural background of the participant, or a professional psychological assessment as a component of the assessment process, when the job counselor has a reasonable belief, based on objective evidence, that a participant's ability to obtain and retain suitable employment is impaired by a medical condition. The job counselor may assist the participant with arranging services, including child care assistance and transportation, necessary to meet needs identified by the assessment. Data gathered as part of a professional assessment must be classified and disclosed according to the provisions in section 13.46.

EFFECTIVE DATE: This section is effective March 1, 2024.

Sec. 59. Minnesota Statutes 2022, section 256J.621, subdivision 1, is amended to read:

Subdivision 1. Program characteristics. (a) Within 30 days of exiting the Minnesota family investment program with earnings, the county must assess eligibility for work participation cash benefits of $25 per month to assist in meeting the family's basic needs as the participant continues to move toward self-sufficiency. Payment begins effective the first of the month following exit or termination for MFIP and DWP participants.

(b) To be eligible for work participation cash benefits, the participant shall not receive MFIP or diversionary work program assistance during the month and the participant or participants must meet the following work requirements:

(1) if the participant is a single caregiver and has a child under six years of age, the participant must be employed at least 87 hours per month;

(2) if the participant is a single caregiver and does not have a child under six years of age, the participant must be employed at least 130 hours per month; or

(3) if the household is a two-parent family, at least one of the parents must be employed 130 hours per month.

Whenever a participant exits the diversionary work program or is terminated from MFIP and meets the other criteria in this section, work participation cash benefits are available for up to 24 consecutive months.

(c) Expenditures on the program are maintenance of effort state funds under a separate state program for participants under paragraph (b), clauses (1) and (2). Expenditures for participants under paragraph (b), clause (3), are nonmaintenance of effort funds. Months in which a participant receives work participation cash benefits under this section do not count toward the participant's MFIP 60-month time limit.

EFFECTIVE DATE: This section is effective March 1, 2024.
Sec. 60. Minnesota Statutes 2022, section 256J.626, subdivision 2, is amended to read:

Subd. 2. Allowable expenditures. (a) The commissioner must restrict expenditures under the consolidated fund to benefits and services allowed under title IV-A of the federal Social Security Act. Allowable expenditures under the consolidated fund may include, but are not limited to:

(1) short-term, nonrecurring shelter and utility needs that are excluded from the definition of assistance under Code of Federal Regulations, title 45, section 260.31, for families who meet the residency requirement in section 256J.12, subdivisions 1 and 1a. Payments under this subdivision are not considered TANF cash assistance and are not counted towards the 60-month time limit;

(2) transportation needed to obtain or retain employment or to participate in other approved work activities or activities under a family stabilization plan;

(3) direct and administrative costs of staff to deliver employment services for MFIP, the diversionary work program, or family stabilization services; to administer financial assistance; and to provide specialized services intended to assist hard-to-employ participants to transition to work or transition from family stabilization services to MFIP;

(4) costs of education and training including functional work literacy and English as a second language;

(5) cost of work supports including tools, clothing, boots, telephone service, and other work-related expenses;

(6) county administrative expenses as defined in Code of Federal Regulations, title 45, section 260(b);

(7) services to parenting and pregnant teens;

(8) supported work;

(9) wage subsidies;

(10) child care needed for MFIP, the diversionary work program, or family stabilization services participants to participate in social services;

(11) child care to ensure that families leaving MFIP or diversionary work program will continue to receive child care assistance from the time the family no longer qualifies for transition year child care until an opening occurs under the basic sliding fee child care program;

(12) services to help noncustodial parents who live in Minnesota and have minor children receiving MFIP or DWP assistance, but do not live in the same household as the child, obtain or retain employment; and
services to help families participating in family stabilization services achieve the
greatest possible degree of self-sufficiency.

(b) Administrative costs that are not matched with county funds as provided in subdivision
8 may not exceed 7.5 percent of a county's or 15 percent of a tribe's allocation under this
section. The commissioner shall define administrative costs for purposes of this subdivision.

(c) The commissioner may waive the cap on administrative costs for a county or tribe
that elects to provide an approved supported employment, unpaid work, or community work
experience program for a major segment of the county's or tribe's MFIP population. The
county or tribe must apply for the waiver on forms provided by the commissioner. In no
case shall total administrative costs exceed the TANF limits.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 61. Minnesota Statutes 2022, section 256J.626, subdivision 3, is amended to read:

Subd. 3. Eligibility for services. Families with a minor child, a pregnant woman, or a
noncustodial parent of a minor child receiving assistance, with incomes below 200 percent
of the federal poverty guideline for a family of the applicable size, are eligible for services
funded under the consolidated fund. Counties and tribes must give priority to families
currently receiving MFIP, the diversionary work program, or family stabilization services,
and families at risk of receiving MFIP or diversionary work program. A county or tribe
shall not impose a residency requirement on families, except for the residency requirement
under section 256J.12.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 62. Minnesota Statutes 2022, section 256J.751, subdivision 2, is amended to read:

Subd. 2. Quarterly comparison report. (a) The commissioner shall report quarterly to
all counties on each county's performance on the following measures:

(1) percent of MFIP caseload working in paid employment;
(2) percent of MFIP caseload receiving only the food portion of assistance;
(3) number of MFIP cases that have left assistance;
(4) median placement wage rate;
(5) caseload by months of TANF assistance;
(6) percent of MFIP and diversionary work program (DWP) cases off cash assistance
or working 30 or more hours per week at one-year, two-year, and three-year follow-up
points from a baseline quarter. This measure is called the self-support index. The
commissioner shall report quarterly an expected range of performance for each county,
county grouping, and tribe on the self-support index. The expected range shall be derived
by a statistical methodology developed by the commissioner in consultation with the counties.
and tribes. The statistical methodology shall control differences across counties in economic conditions and demographics of the MFIP and DWP case load; and

(7) the TANF work participation rate, defined as the participation requirements specified under Public Law 109-171, the Deficit Reduction Act of 2005.

(b) The commissioner shall not apply the limits on vocational educational training and education activities under Code of Federal Regulations, title 45, section 261.33(c), when determining TANF work participation rates for individual counties under this subdivision.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 39. Minnesota Statutes 2022, section 256J.95, subdivision 19, is amended to read:

Subd. 19. DWP overpayments and underpayments. DWP benefits are subject to overpayments and underpayments. Anytime an overpayment or an underpayment is determined for DWP, the correction shall be calculated using prospective budgeting. Corrections shall be determined based on the policy in section 256P.09, subdivision 1 to 4. ATM errors must be recovered as specified in section 256P.08, subdivision 7. Cross program recoupment of overpayments cannot be assigned to or from DWP.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 40. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision to read:

Subd. 5a. Lived-experience engagement. "Lived-experience engagement" means an intentional engagement of people with lived experience by a federal, Tribal, state, county, municipal, or nonprofit human services agency funded in part or in whole by federal, state, local government, Tribal Nation, public, private, or philanthropic money to gather and share feedback on the impact of human services programs.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 5. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision to read:

Subd. 2b. Census income. "Census income" means income earned working as a census enumerator or decennial census worker responsible for recording the housing units and residents in a specific geographic area.

Sec. 6. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision to read:

Subd. 5a. Lived-experience engagement. "Lived-experience engagement" means an intentional engagement of people with lived experience by a federal, Tribal, state, county, municipal, or nonprofit human services agency funded in part or in whole by federal, state, local government, Tribal Nation, public, private, or philanthropic funds to gather and share feedback on the impact of human services programs.
Sec. 63. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision to read:

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

**EFFECTIVE DATE.** This section is effective March 1, 2025.

Sec. 64. Minnesota Statutes 2022, section 256P.02, subdivision 2, is amended to read:

Subd. 2. **Personal property limitations.** The equity value of an assistance unit’s personal property listed in clauses (1) to (5) must not exceed $10,000 for applicants and participants. For purposes of this subdivision, personal property is limited to:

- (1) cash **not excluded under subdivision 4**;
- (2) bank accounts **not excluded under subdivision 5**;
- (3) liquid stocks and bonds that can be readily accessed without a financial penalty;
- (4) vehicles not excluded under subdivision 3; and
- (5) the full value of business accounts used to pay expenses not related to the business.

**EFFECTIVE DATE.** This section is effective March 1, 2025.
Sec. 43. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision to read:

Subd. 4. Health and human services recipient engagement income. Income received from lived-experience engagement, as defined in section 256P.01, subdivision 5a, shall be excluded when determining the equity value of personal property.

Sec. 44. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision to read:

Subd. 5. Account exception. Family asset accounts under section 256E.35 and individual development accounts authorized under the Assets for Independence Act, Title IV of the Community Opportunities, Accountability, and Training and Educational Services Human Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when determining the equity value of personal property.

Sec. 45. Minnesota Statutes 2022, section 256P.04, subdivision 4, is amended to read:

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

(1) identity of adults;
(2) age, if necessary to determine eligibility;
(3) immigration status;
(4) income;
(5) spousal support and child support payments made to persons outside the household;
(6) vehicles;
(7) checking and savings accounts, including but not limited to any business accounts used to pay expenses not related to the business;
(8) inconsistent information, if related to eligibility;

(4) vehicles not excluded under subdivision 3; and
(5) the full value of business accounts used to pay expenses not related to the business.

Sec. 9. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision to read:

Subd. 4. Health and human services recipient engagement income. Income received from lived-experience engagement, as defined in section 256P.01, subdivision 6, shall be excluded when determining the equity value of personal property.

Sec. 65. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision to read:

Subd. 4. Account exception. Family asset accounts under section 256E.35 and individual development accounts authorized under the Assets for Independence Act, Title IV of the Community Opportunities, Accountability, and Training and Educational Services Human Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when determining the equity value of personal property.

Sec. 66. Minnesota Statutes 2022, section 256P.04, subdivision 4, is amended to read:

Subd. 5. Census income. Census income is excluded when determining the equity value of personal property.

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

(1) identity of adults;
(2) age, if necessary to determine eligibility;
(3) immigration status;
(4) income;
(5) spousal support and child support payments made to persons outside the household;
(6) vehicles;
(7) checking and savings accounts, including but not limited to any business accounts used to pay expenses not related to the business;
(8) inconsistent information, if related to eligibility;
(9) residence; and
(10) Social Security number; and
(11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item (ix), for the intended purpose for which it was given and received.
(b) Applicants who are qualified noncitizens and victims of domestic violence as defined under section 256J.08, subdivision 73, clauses (8) and (9), are not required to verify the information in paragraph (a), clause (10). When a Social Security number is not provided to the agency for verification, this requirement is satisfied when each member of the assistance unit cooperates with the procedures for verification of Social Security numbers, issuance of duplicate cards, and issuance of new numbers which have been established jointly between the Social Security Administration and the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 67. Minnesota Statutes 2022, section 256P.04, subdivision 8, is amended to read:
Subd. 8. Recertification. The agency shall recertify eligibility annually. During recertification and reporting under section 256P.10, the agency shall verify the following:
(1) income, unless excluded, including self-employment earnings;
(2) assets when the value is within $200 of the asset limit; and
(3) inconsistent information, if related to eligibility.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 46. Minnesota Statutes 2022, section 256P.04, subdivision 8, is amended to read:
Subd. 8. Recertification. The agency shall recertify eligibility annually. During recertification and reporting under section 256P.10, the agency shall verify the following:
(1) income, unless excluded, including self-employment earnings;
(2) assets when the value is within $200 of the asset limit; and
(3) inconsistent information, if related to eligibility.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 11. Minnesota Statutes 2022, section 256P.06, subdivision 3, is amended to read:
Subd. 3. Income inclusions. The following must be included in determining the income of an assistance unit:
(1) earned income; and
(2) unearned income, which includes:
(i) interest and dividends from investments and savings;
(ii) capital gains as defined by the Internal Revenue Service from any sale of real property;
(iii) proceeds from rent and contract for deed payments in excess of the principal and interest portion owed on property;
(iv) income from trusts, excluding special needs and supplemental needs trusts;
(v) interest income from loans made by the participant or household;

EFFECTIVE DATE. This section is effective March 1, 2025.
(vi) cash prizes and winnings;

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

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

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

(viii) for the purposes of programs under chapters 256D and 256J, retirement, survivors, and disability insurance payments;

and

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

(xi) income from members of the United States armed forces unless excluded from income taxes according to federal or state law;

(xii) for the purposes of programs under chapters 119B, 256D, and 256J, all child support payments for programs under chapters 119B, 256D, and 256J;

(xiii) the amount of child support received that exceeds $100 for assistance units with one child and $200 for assistance units with two or more children for programs under chapter 256J;

(xiv) spousal support; and

(xv) workers’ compensation; and

(xvi) for the purposes of programs under chapters 119B and 256J, the amount of retirement, survivors, and disability insurance payments that exceeds the applicable monthly federal maximum Supplemental Security Income payments.

**EFFECTIVE DATE.** This section is effective September 1, 2024, except the removal of item (ix) related to nonrecurring income is effective July 1, 2024, and the removal of item (xii) related to Tribal per capita payments and the addition of item (xvi) related to retirement, survivors, and disability insurance payments is effective August 1, 2023.
Sec. 68. Minnesota Statutes 2022, section 256P.06, subdivision 3, is amended to read:

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

1. Earned income and;

2. Unearned income, which includes:
   
   i. Interest and dividends from investments and savings;
   
   ii. Capital gains as defined by the Internal Revenue Service from any sale of real property;
   
   iii. Proceeds from rent and contract for deed payments in excess of the principal and interest portion owed on property;
   
   iv. Income from trusts, excluding special needs and supplemental needs trusts;
   
   v. Interest income from loans made by the participant or household;
   
   vi. Cash prizes and winnings;
   
   vii. Unemployment insurance income that is received by an adult member of the assistance unit unless the individual receiving unemployment insurance income is:
   
   A. 18 years of age and enrolled in a secondary school; or
   
   B. 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;
   
   viii. For the purposes of programs under chapters 256D and 256I, retirement, survivors, and disability insurance payments;
   
   ix. Nonrecurring income over $60 per quarter unless the nonrecurring income is:
   
   A. From tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or refund of personal or real property or costs or losses incurred in Kansas; (C) made by a public agency, court, solicitation through public appeal, a federal, state, or local unit of government, or a disaster assistance organization; (D) provided as an in-kind benefit; or (E) earmarked and used for the purpose for which it was intended, subject to verification requirements under section 256P.04;
   
   x. Tribal per capita payments unless excluded by federal and state law;
175.8 (xiv) income from members of the United States armed forces unless excluded
175.9 from income taxes according to federal or state law;
175.10 (xiii) for the purposes of programs under chapters 119B, 256D, and 256I, all child
175.11 support payments for programs under chapters 119B, 256D, and 256I;
175.12 (xv) for the purposes of programs under chapter 256J, the amount of child support
175.13 received that exceeds $100 for assistance units with one child and $200 for assistance units
175.14 with two or more children for programs under chapter 256J;
175.15 (xvi) spousal support;
175.16 (xvii) workers’ compensation;
175.17 for the purposes of programs under chapters 119B and 256J, the amount of
175.18 retirement, survivors, and disability insurance payments that exceeds the applicable monthly
175.19 federal maximum Supplemental Security Income payments.

EFFECTIVE DATE. This section is effective September 1, 2024, except the removal
of item (ix) related to nonrecurring income is effective July 1, 2024.

EFFECTIVE DATE. This section is effective March 1, 2025.
Sec. 70. Minnesota Statutes 2022, section 256P.07, is amended by adding a subdivision to read:

Subd. 1a. Child care assistance programs. Participants who qualify for child care assistance programs under chapter 119B are exempt from this section except the reporting requirements in subdivision 6.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 71. Minnesota Statutes 2022, section 256P.07, subdivision 2, is amended to read:

depending on the type of information required and its effect on eligibility.

Subd. 1a. Reporting requirements. An assistance unit must report the changes
119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within
program under chapter 119B; the assistance unit's circumstances changed
occurred. When information is not accurately reported,
both an overpayment and a referral for a fraud investigation may result. When information
or documentation is not provided, the receipt of any benefit may be delayed or denied,
depending on the type of information required and its effect on eligibility.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 51. Minnesota Statutes 2022, section 256P.07, subdivision 2, is amended to read:

Subd. 2. Reporting requirements. An applicant or participant must provide information
on an application and any subsequent reporting forms about the assistance unit's
circumstances that affect eligibility or benefits. An applicant or assistance unit must report
changes that affect eligibility or benefits as identified in subdivisions 1, 4, 5, 7, 8, and 9 during the application period or by the tenth of the month following the month
the assistance unit's circumstances changed. When information is not accurately reported,
both an overpayment and a referral for a fraud investigation may result. When information
or documentation is not provided, the receipt of any benefit may be delayed or denied,
depending on the type of information required and its effect on eligibility.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 52. Minnesota Statutes 2022, section 256P.07, subdivision 3, is amended to read:

Within ten days, an assistance unit must report:

(1) a change in earned income of $100 per month or greater with the exception of a
program under chapter 119B;

(2) a change in unearned income of $50 per month or greater with the exception of a
program under chapter 119B;

Within ten days must also be reported for the reporting period in which those changes occurred.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 53. Minnesota Statutes 2022, section 256P.07, subdivision 4, is amended to read:

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 54. Minnesota Statutes 2022, section 256P.07, subdivision 5, is amended to read:

This section is effective March 1, 2025.

Subd. 1a. Child care assistance programs. Participants who qualify for child care assistance programs under chapter 119B are exempt from this section except the reporting requirements in subdivision 6.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 71. Minnesota Statutes 2022, section 256P.07, subdivision 2, is amended to read:

depending on the type of information required and its effect on eligibility.

Subd. 1a. Reporting requirements. An assistance unit must report the changes
119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within
program under chapter 119B; the assistance unit's circumstances changed
occurred. When information is not accurately reported,
both an overpayment and a referral for a fraud investigation may result. When information
or documentation is not provided, the receipt of any benefit may be delayed or denied,
depending on the type of information required and its effect on eligibility.

EFFECTIVE DATE. This section is effective March 1, 2025.
(2) a change in employment status and hours with the exception of a program under chapter 119B;
(3) a change in household composition with the exception of programs under chapter 256I;
(4) a receipt of a lump-sum payment with the exception of a program under chapter 119B;
(4) a change in address or residence;
(5) a change in household composition with the exception of programs under chapter 256I;
(5) a change in address or residence;
(6) a change in address or residence;
(6) a change in address or residence;
(7) an increase in assets if over $9,000 with the exception of programs under chapter 119B;
(7) an increase in assets if over $9,000 with the exception of programs under chapter 119B;
(8) an increase in assets if over $9,000 with the exception of programs under chapter 119B;
(8) an increase in assets if over $9,000 with the exception of programs under chapter 119B;
(9) a change in citizenship or immigration status;
(9) a change in citizenship or immigration status;
(10) a change in disability status of a unit member, with the exception of programs under chapter 119B;
(10) a change in disability status of a unit member, with the exception of programs under chapter 119B;
(11) a new rent subsidy or a change in rent subsidy with the exception of a program under chapter 119B; and
(12) a sale, purchase, or transfer of real property with the exception of a program under chapter 119B.

(a) An assistance unit must report changes or anticipated changes as described in this section.

(b) An assistance unit must report:
(1) a change in eligibility for Supplemental Security Income, Retirement Survivors Disability Insurance, or another federal income support;
(2) a change in address or residence;
(3) a change in household composition with the exception of programs under chapter 256I;
(4) cash prizes and winnings according to guidance provided for the Supplemental Nutrition Assistance Program;
(5) a change in citizenship or immigration status;
(6) a change in family status with the exception of programs under chapter 256I and
(7) a change that makes the value of the unit's assets at or above the asset limit.
(c) When an agency could have reduced or terminated assistance for one or more payment months if a delay in reporting a change specified under paragraph (b) had not occurred, the

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agency must determine whether the agency could have issued a timely notice on the day that the change occurred. When a timely notice could have been issued, each month’s overpayment subsequent to the notice must be considered a client error overpayment under section 256P.08.

**EFFECTIVE DATE:** This section is effective March 1, 2025, except that the amendment striking clause (6) is effective July 1, 2024.

Sec. 53. Minnesota Statutes 2022, section 256P.07, subdivision 4, is amended to read:

Subd. 4. **MFIP-specific reporting.** In addition to subdivision 3, an assistance unit under chapter 256J, within ten days of the change, must report:

(1) a pregnancy not resulting in birth when there are no other minor children; and

(2) a change in school attendance of a parent under 20 years of age or an employed child.

(3) an individual in the household who is 18 or 19 years of age attending high school who graduates or drops out of school.

**EFFECTIVE DATE:** This section is effective March 1, 2025.

Sec. 73. Minnesota Statutes 2022, section 256P.07, subdivision 6, is amended to read:

Subd. 6. **Child care assistance programs-specific reporting.** (a) In addition to subdivision 3, An assistance unit under chapter 119B, within ten days of the change, must report:

(1) a change in a parentally responsible individual's custody schedule for any child receiving child care assistance program benefits;

(2) a permanent end in a parentally responsible individual's authorized activity; and

(3) if the unit's family's annual included income exceeds 85 percent of the state median income, adjusted for family size;

(4) a change in address or residence;

(5) a change in household composition;

(6) a change in citizenship or immigration status; and

(7) a change in family status.

(b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must report a change in the unit's authorized activity status.

(c) An assistance unit must notify the county when the unit wants to reduce the number of authorized hours for children in the unit.

**EFFECTIVE DATE:** This section is effective March 1, 2025, except that the amendment deleting clause (6) is effective July 1, 2024.

Sec. 74. Minnesota Statutes 2022, section 256P.07, subdivision 6, is amended to read:

Subd. 6. **Child care assistance programs-specific reporting.** (a) In addition to subdivision 3, An assistance unit under chapter 119B, within ten days of the change, must report:

(1) a change in a parentally responsible individual's custody schedule for any child receiving child care assistance program benefits;

(2) a permanent end in a parentally responsible individual's authorized activity; and

(3) if the unit's family's annual included income exceeds 85 percent of the state median income, adjusted for family size;

(4) a change in address or residence;

(5) a change in household composition;

(6) a change in citizenship or immigration status; and

(7) a change in family status.

(b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must report a change in the unit's authorized activity status.

(c) An assistance unit must notify the county when the unit wants to reduce the number of authorized hours for children in the unit.
Sec. 75. Minnesota Statutes 2022, section 256P.07, subdivision 7, is amended to read:

Subd. 7. Minnesota supplemental aid-specific reporting. (a) In addition to subdivision 3, an assistance unit participating in the Minnesota supplemental aid program under section 256D.44, subdivision 5, paragraph (g), including assistance units that receive Supplemental Security Income, must report:

(1) a change in unearned income of $50 per month or greater; and
(2) a change in earned income of $100 per month or greater.

(b) An assistance unit receiving housing assistance under section 256D.44, subdivision 5, paragraph (g), including assistance units that also receive Supplemental Security Income, must report:

(1) a change in shelter expenses; and
(2) a new rent subsidy or a change in rent subsidy.

EFFECTIVE DATE. This section is effective March 1, 2025.

Subd. 8. Housing support-specific reporting. (a) In addition to subdivision 3, an assistance unit participating in the housing support program under chapter 256I and not receiving Supplemental Security Income must report:

(1) a change in unearned income of $50 per month or greater; and
(2) a change in earned income of $100 per month or greater, unless the assistance unit is already subject to six-month reporting requirements in section 256P.10.

(b) Notwithstanding the exemptions in subdivisions 1 and 3, an assistance unit receiving housing support under chapter 256I, including an assistance unit that receives Supplemental Security Income, must report:

(1) a new rent subsidy or a change in rent subsidy; and
(2) a change in the disability status of a unit member; and
(3) a change in household composition if the assistance unit is a participant in housing support under section 256I.04, subdivision 3, paragraph (a), clause (3).

EFFECTIVE DATE. This section is effective March 1, 2025.

Subd. 7. Minnesota supplemental aid-specific reporting. (a) In addition to subdivision 3, an assistance unit participating in the Minnesota supplemental aid program under section 256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not receiving Supplemental Security Income must report shelter expenses:

(1) a change in unearned income of $50 per month or greater; and
(2) a change in earned income of $100 per month or greater.

(b) An assistance unit receiving housing assistance under section 256D.44, subdivision 5, paragraph (g), including assistance units that also receive Supplemental Security Income, must report:

(1) a change in shelter expenses; and
(2) a new rent subsidy or a change in rent subsidy.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 75. Minnesota Statutes 2022, section 256P.07, subdivision 7, is amended to read:

Subd. 7. Minnesota supplemental aid-specific reporting. (a) In addition to subdivision 3, an assistance unit participating in the Minnesota supplemental aid program under section 256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not receiving Supplemental Security Income must report shelter expenses:

(1) a change in unearned income of $50 per month or greater; and
(2) a change in earned income of $100 per month or greater.

(b) An assistance unit receiving housing assistance under section 256D.44, subdivision 5, paragraph (g), including assistance units that also receive Supplemental Security Income, must report:

(1) a change in shelter expenses; and
(2) a new rent subsidy or a change in rent subsidy.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 55. Minnesota Statutes 2022, section 256P.07, subdivision 7, is amended to read:

Subd. 7. Minnesota supplemental aid-specific reporting. (a) In addition to subdivision 3, an assistance unit participating in the Minnesota supplemental aid program under section 256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not receiving Supplemental Security Income must report shelter expenses:

(1) a change in unearned income of $50 per month or greater; and
(2) a change in earned income of $100 per month or greater.

(b) An assistance unit receiving housing assistance under section 256D.44, subdivision 5, paragraph (g), including assistance units that also receive Supplemental Security Income, must report:

(1) a change in shelter expenses; and
(2) a new rent subsidy or a change in rent subsidy.

EFFECTIVE DATE. This section is effective March 1, 2025.
Sec. 77. Minnesota Statutes 2022, section 256P.07, is amended by adding a subdivision to read:

Subd. 9. General assistance-specific reporting. In addition to subdivision 3, an assistance unit participating in the general assistance program under chapter 256D must report:

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

(2) a change in earned income of $100 per month or greater, unless the assistance unit is already subject to six-month reporting requirements in section 256P.10; and

(3) changes in any condition that would result in the loss of basis for eligibility in section 256D.05, subdivision 1, paragraph (a).

EFFECTIVE DATE. This section is effective March 1, 2025.

Subd. 10. Initial income. For the purpose of determining an assistance unit's level of benefits, an agency must take into account the income already received by the assistance unit during or anticipated to be received during the application period. Income anticipated to be received only in the initial month of eligibility must only be counted in the initial month.

Subd. 11. Income determination. An agency must use prospective budgeting to determine the amount of the assistance unit's benefit for the eligibility period based on the best information available at the time of approval. An agency shall only count anticipated income when the participant and the agency are reasonably certain of the amount of the payment and the month in which the payment will be received. If the exact amount of the income is not known, the agency shall consider only the amounts that can be anticipated as income.

Subd. 12. Income changes. An increase in income shall not affect an assistance unit's eligibility or benefit amount until the next review unless otherwise required to be reported in section 256P.07. A decrease in income shall be effective on the date that the change occurs if the change is reported by the tenth of the month following the month when the change occurred. If the assistance unit does not report the change in income by the tenth of

Sec. 78.

For the purpose of determining an assistance unit's level of benefits, an agency must take into account the income already received by the assistance unit during or anticipated to be received during the application period. Income anticipated to be received only in the initial month of eligibility must only be counted in the initial month. An agency subject to this chapter must use prospective budgeting to calculate the assistance payment amount. An agency subject to this chapter must use prospective budgeting to calculate the assistance payment amount.

Subd. 3. Initial income. For the purpose of determining an assistance unit's level of benefits, an agency must take into account the income already received by the assistance unit during or anticipated to be received during the application period. Income anticipated to be received only in the initial month of eligibility must only be counted in the initial month.

Subd. 4. Income determination. An agency must use prospective budgeting to determine the amount of the assistance unit's benefit for the eligibility period based on the best information available at the time of approval. An agency shall only count anticipated income when the participant and the agency are reasonably certain of the amount of the payment and the month in which the payment will be received. If the exact amount of the income is not known, the agency shall consider only the amounts that can be anticipated as income.

Subd. 5. Income changes. An increase in income shall not affect an assistance unit's eligibility or benefit amount until the next review unless otherwise required to be reported in section 256P.07. A decrease in income shall be effective on the date that the change occurs if the change is reported by the tenth of the month following the month when the change occurred. If the assistance unit does not report the change in income by the tenth of

EFFECTIVE DATE. This section is effective March 1, 2025.

General assistance-specific reporting.

Subd. 1. A decrease in income shall be effective on the date that the change occurs if the change is reported by the tenth of the month following the month when the change occurred. If the assistance unit does not report the change in income by the tenth of

EFFECTIVE DATE. This section is effective March 1, 2025.

Subd. 2. An increase in income shall not affect an assistance unit's eligibility or benefit amount until the next review unless otherwise required to be reported in section 256P.07.
the month following the month when the change occurred, the change in income shall be effective on the date the change was reported.

EFFECTIVE DATE. This section is effective March 1, 2025.

Subd. 1. Exempted programs. Assistance units that qualify for child care assistance programs under chapter 119B, assistance units that qualify for Minnesota supplemental aid under chapter 256D, and assistance units that qualify for housing support under chapter 256F and also receive Supplemental Security Income are exempt from this section.

Subd. 2. Reporting. (a) Every six months, an assistance unit that qualifies for the Minnesota family investment program under chapter 256J, an assistance unit that qualifies for general assistance under chapter 256D with an earned income of $100 per month or greater, or an assistance unit that qualifies for housing support under chapter 256F with an earned income of $100 per month or greater is subject to six-month reviews. The initial reporting period may be shorter than six months in order to align with other programs’ reporting periods.

(b) An assistance unit that qualifies for the Minnesota family investment program or an assistance unit that qualifies for general assistance with an earned income of $100 per month or greater must complete household report forms as required by the commissioner for redetermination of benefits.

(c) An assistance unit that qualifies for housing support with an earned income of $100 per month or greater must complete household report forms as prescribed by the commissioner to provide information about earned income.

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

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

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

Subd. 3. When to terminate assistance. (a) An agency must terminate benefits when the assistance unit fails to submit the household report form before the end of the six-month review period. If the assistance unit submits the household report form within 30 days of the termination of benefits and remains eligible, benefits must be reinstated and made available retroactively for the full benefit month.
(b) When an assistance unit is determined to be ineligible for assistance according to this section and chapter 256D, 256F, or 256J, the agency must terminate assistance.

EFFECTIVE DATE. This section is effective March 1, 2025.

Sec. 80. Minnesota Statutes 2022, section 261.063, is amended to read:

Subd. 5. Access to certain items. (a) Any occupant may remove from the self-storage facility personal papers and health aids upon demand made to any of the persons listed in section 514.976, subdivision 1;

(b) An occupant who provides documentation from a government or nonprofit agency or legal aid office that the occupant is a recipient of relief based on need, is eligible for legal aid services, or is a survivor of domestic violence or sexual assault may remove, in addition to the items provided in paragraph (a), personal clothing of the occupant and the occupant’s dependents and tools of the trade that are necessary for the livelihood of the occupant that has a market value not to exceed $125 per item;

(c) The occupant shall present a list of the items and may remove the items during the facility's ordinary business hours prior to the sale authorized by section 514.973. If the owner unjustifiably denies the occupant access for the purpose of removing the items specified in this subdivision, the occupant is entitled to request relief from the court for an order allowing access to the storage space for removal of the specified items. The self-service storage facility is liable to the occupant for the costs, disbursements, and attorney fees expended by the occupant to obtain this order.

EFFECTIVE DATE. This section is effective March 1, 2024.
Subd. 2. Benefit eligibility. (a) For general assistance benefits and Minnesota
supplemental aid under chapter 256D, a person convicted of a felony-level drug offense
after July 1, 1997, is ineligible for general assistance benefits and Supplemental Security
Income under chapter 256D until the previous ten years from the date of application
or recertification may be subject to random drug testing. The county must provide information
about substance use disorder treatment programs to a person who tests positive for an illegal
controlled substance.

(b) A person who becomes eligible for assistance under chapter 256D is subject to
random drug testing and shall lose eligibility for benefits for five years beginning the month
following:

(1) any positive test for an illegal controlled substance; or
(2) discharge of sentence for conviction of another drug felony.

(3) Parole violators and fleeing felons are ineligible for benefits and persons
fraudulently misrepresenting eligibility are also ineligible to receive benefits for ten years.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 61. Minnesota Statutes 2022, section 609B.435, subdivision 2, is amended to read:

Subd. 2. Drug offenders; random testing; sanctions. A person who is an applicant for
benefits from the Minnesota family investment program or MFIP, the vehicle for temporary
assistance for needy families or TANF, and who has been convicted of a felony-level drug
offense shall may be subject to certain conditions, including random drug testing, in order

(4) Parole violators and fleeing felons are ineligible for benefits and persons
fraudulently misrepresenting eligibility are also ineligible to receive benefits for ten years.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 14. Minnesota Statutes 2022, section 609B.425, subdivision 2, is amended to read:

Subd. 2. Benefit eligibility. (a) For general assistance benefits and Minnesota
supplemental aid under chapter 256D, a person convicted of a felony-level drug offense
after July 1, 1997, is ineligible for general assistance benefits and Supplemental Security
Income under chapter 256D until the previous ten years from the date of application
or recertification may be subject to random drug testing. The county must provide information
about substance use disorder treatment programs to a person who tests positive for an illegal
controlled substance.

(b) A person who becomes eligible for assistance under chapter 256D is subject to
random drug testing and shall lose eligibility for benefits for five years beginning the month
following:

(1) any positive test for an illegal controlled substance; or
(2) discharge of sentence for conviction of another drug felony.

(3) Parole violators and fleeing felons are ineligible for benefits and persons
fraudulently misrepresenting eligibility are also ineligible to receive benefits for ten years.

EFFECTIVE DATE. This section is effective March 1, 2024.
to receive MFIP benefits. Following any positive test for a controlled substance, the convicted
applicant or participant is subject to the following sanctions: county must provide information
about substance use disorder treatment programs to the applicant or participant.

1. (1) a first time drug test failure results in a reduction of benefits in an amount equal to
30 percent of the MFIP standard of need; and

2. (2) a second time drug test failure results in permanent disqualification from receiving
MFIP assistance.

A similar disqualification sequence occurs if the applicant is receiving Supplemental Nutrition
Assistance Program (SNAP) benefits.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 62. COUNTY WORKER TRAINING PROGRAM PILOT.

(a) To the extent permitted under federal law, and subject to any necessary federal
approval, the commissioner of human services must permit Anoka, Dakota, St. Louis, and
Wright Counties to operate a 12-month pilot to provide the four-day mandated training
under Minnesota Statutes, section 256.01, subdivision 2, paragraph (a), clause (1), for the
MAXIS eligibility system and Supplemental Nutrition Assistance Program (SNAP) in-house.
Counties shall be permitted to provide their own training under this section starting 30 days
after receipt of necessary federal approval and only after receiving and agreeing to use the
commissioner's training materials.

(b) The commissioner must provide oversight of the training program to ensure county
training is consistent with current curriculum. The commissioner shall determine what
oversight activities will be utilized. If there are changes in state or federal law governing
SNAP or changes are made to MAXIS, counties must not provide training until they have
received and agreed to use the updated curriculum provided by the commissioner.

(c) Counties must comply with all applicable state and federal training requirements;
including but not limited to reporting requirements. In addition, no later than 120 days
following completion of the pilot, each county permitted to conduct their own training under
this section must report to the commissioner the following data:

(1) the number of classes offered during the pilot period;

(2) the number of workers trained during the pilot period; and

(3) the number of county staff who provided training during the pilot period;

(d) Nothing in this section shall prevent the commissioner from requiring the employees
of the counties participating in the pilot from receiving mandatory training provided by the
commissioner on subjects relating to data privacy and security awareness. Prior to receiving
any in-house training provided for in paragraph (a); any county employee must first receive all training the commissioner requires pursuant to this section.
The commissioner shall disburse federal reimbursement funds for allowable costs for approved SNAP outreach activities to the state agency or grantee that incurred the costs being reimbursed.

Sec. 83. REVISOR INSTRUCTION.

The revisor of statutes shall remove from Minnesota Statutes, sections 550.143, subdivision 3c; 550.37, subdivision 14; 551.05, subdivision 1d; 571.72, subdivision 10; 571.912, subdivision 3; and 571.925, the terms "MFIP Diversionary Work Program" and "MFIP diversionary work program." The revisor shall also make any necessary grammatical changes related to the removal of terms.

EFFECTIVE DATE. This section is effective March 1, 2024.

Sec. 84. REPEALER.

(a) Minnesota Statutes 2022, sections 256.9864; 256J.08, subdivisions 10, 53, 61, 62, 81, and 83; 256J.30, subdivisions 3, 4, and 5; 256J.34, subdivisions 1, 2, 3, and 4; and 256J.37, subdivision 10, are repealed.

(b) Minnesota Statutes 2022, section 256J.425, subdivision 6, is repealed.

(c) Minnesota Statutes 2022, section 256.8799, is repealed.

(d) Minnesota Statutes 2022, section 256D.63, subdivision 1, is repealed.

(e) Minnesota Statutes 2022, section 256.8799, is repealed.

(d) Minnesota Statutes 2022, section 256D.63, subdivision 1, is repealed.

Sec. 63. REPEALER.

(a) Minnesota Statutes 2022, sections 256.9864; 256J.08, subdivisions 10, 53, 61, 62, 81, and 83; 256J.30, subdivisions 3, 7, and 8; 256J.33, subdivisions 3, 4, and 5; 256J.34, subdivisions 1, 2, 3, and 4; and 256J.37, subdivision 10, are repealed.

(b) Minnesota Statutes 2022, section 256J.425, subdivision 6, is repealed.

(c) Minnesota Statutes 2022, sections 119B.011, subdivision 10a; 256J.08, subdivision 24b; 256J.95, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19; and 256P.07, subdivision 5, are repealed.

(d) Minnesota Statutes 2022, section 256D.63, subdivision 1, is repealed.

(e) Minnesota Statutes 2022, section 256.8799, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective March 1, 2025, except the repeal of Minnesota Statutes 2022, sections 256.9864; 256J.08, subdivisions 3 and 62, and 256J.37, subdivision 10, is effective July 1, 2024. Paragraph (g) is effective May 1, 2026.

EFFECTIVE DATE. Paragraph (a) is effective March 1, 2025, except the repeal of Minnesota Statutes, sections 256J.08, subdivisions 3 and 62, and 256J.37, subdivision 10, is effective July 1, 2024. Paragraph (b) is effective May 1, 2026. Paragraph (c) is effective March 1, 2024. Paragraph (d) is effective the day following final enactment. Paragraph (e) is effective August 1, 2023.