

429.12

ARTICLE 11

429.13

HOUSING AND HOMELESSNESS

429.14 Section 1. Minnesota Statutes 2022, section 145.4716, subdivision 3, is amended to read:

429.15 Subd. 3. **Youth eligible for services.** Youth 24 years of age or younger ~~shall be are~~
429.16 eligible for all services, support, and programs provided under this section and section
429.17 145.4717, and all shelter, housing beds, and services provided by the commissioner of
429.18 human services to sexually exploited youth and youth at risk of sexual exploitation under
429.19 section 256K.47.

429.20 Sec. 2. **[245.0963] CONTINUUM OF CARE GRANT PROGRAM.**

429.21 Subdivision 1. **Establishment.** The commissioner of human services must establish a
429.22 grant program to maintain funding for shelters and services provided to individuals
429.23 experiencing homelessness.

429.24 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants
429.25 must be a nonprofit organization or a county. An eligible applicant must have experience
429.26 providing continuum of care services to individuals experiencing homelessness and operating
429.27 a community-wide partnership committed to ending homelessness.

429.28 Subd. 3. **Application.** An organization seeking a grant under this section must apply to
429.29 the commissioner in the time and manner specified by the commissioner.

429.30 Subd. 4. **Grant activities.** (a) Grant money must be used for:

430.1 (1) maintaining funding for a 100-bed family shelter;
430.2 (2) maintaining funding to provide shelter and services for single adults, including an
430.3 expanded shelter for women;

185.26

ARTICLE 6

185.27

HOMELESSNESS

UES2995-2

491.1

ARTICLE 11

491.2

HOUSING SUPPORTS

UES2995-2 ARTICLE 11, SECTION 1 WAS REMOVED TO MATCH WITH
S2995-3 ARTICLE 10, SECTION 16.

H0238-3

185.28 Section 1. Minnesota Statutes 2022, section 145.4716, subdivision 3, is amended to read:

185.29 Subd. 3. **Youth eligible for services.** Youth 24 years of age or younger ~~shall be eligible~~
185.30 for all services, support, and programs provided under this section and section 145.4717,
186.1 and all shelter, housing beds, and services provided by the commissioner of human services
186.2 to sexually exploited youth and youth at risk of sexual exploitation under section 256K.47.

430.4 (3) developing and operating a familiar faces pilot program for high-frequency unhoused
430.5 clients with intensive, 24-hours-a-day, seven-days-a-week staffing;

430.6 (4) maintaining current day shelter programming; and

430.7 (5) providing outreach, support services, single point of entry, infrastructure, and extreme
430.8 weather support.

430.9 (b) A grantee may contract with eligible nonprofit organizations and local and Tribal
430.10 governmental agencies to provide the services listed under paragraph (a).

430.11 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the
430.12 time and manner specified by the commissioner. The report must include how the grant
430.13 money was used and how many individuals were served.

430.14 (b) The commissioner must submit a report to the chairs and ranking minority members
430.15 of the legislative committees with jurisdiction over homelessness no later than six months
430.16 after receiving the report under paragraph (a). The report submitted by the commissioner
430.17 must include the information specified in paragraph (a).

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

430.19 Sec. 3. **[245.0965] OLMSTED COUNTY HOMELESSNESS GRANT PROGRAM.**

430.20 Subdivision 1. **Establishment.** The commissioner of human services must establish a
430.21 grant program to fund and support shelters and services for persons experiencing
430.22 homelessness in Olmsted County.

430.23 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants
430.24 must be a nonprofit organization or a county that provides shelter and services to persons
430.25 experiencing homelessness in Olmsted County. An eligible applicant must have experience
430.26 with services that house persons experiencing homelessness and aid transitions to permanent
430.27 stable housing.

430.28 Subd. 3. **Application.** An organization seeking a grant under this section must apply to
430.29 the commissioner in the time and manner specified by the commissioner.

430.30 Subd. 4. **Grant activities.** (a) Eligible uses of grant money include:

430.31 (1) operations and services to maintain daytime and overnight shelter;

431.1 (2) recuperative care shelter;

431.2 (3) housing-focused case management for persons experiencing homelessness;

431.3 (4) shelter diversion services;

431.4 (5) hotel and motel vouchers;

431.5 (6) shelter for youth, including host homes;

431.6 (7) transitional housing programs;

431.7 (8) supportive staffing; and

431.8 (9) outreach services.

431.9 (b) The grantee may contract with eligible nonprofit organizations and local and Tribal
431.10 governmental agencies to provide the services specified under paragraph (a).

431.11 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the
431.12 time and manner specified by the commissioner. The report must include the number of
431.13 persons experiencing homelessness that were served and what the grant money was used
431.14 for.

431.15 (b) The commissioner must submit a report to the chairs and ranking minority members
431.16 of the legislative committees with jurisdiction over homelessness no later than six months
431.17 after receiving the report under paragraph (a). The report submitted by the commissioner
431.18 must include the information specified in paragraph (a).

431.19 Sec. 4. **[245.0966] HENNEPIN COUNTY HOMELESSNESS GRANT PROGRAM.**

431.20 Subdivision 1. **Establishment.** The commissioner of human services must establish a
431.21 grant program to maintain funding for shelters and services provided to individuals
431.22 experiencing homelessness in Hennepin County.

431.23 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants
431.24 must be a nonprofit organization or a county that provides shelter and services to persons
431.25 experiencing homelessness in Hennepin County. An eligible applicant must have experience
431.26 with services that house persons experiencing homelessness and aid transitions to permanent,
431.27 stable housing.

431.28 Subd. 3. **Application.** An organization seeking a grant under this section must apply to
431.29 the commissioner in the time and manner specified by the commissioner.

431.30 Subd. 4. **Grant activities.** (a) Grant money must be used for:

432.1 (1) maintaining current shelter and homeless response programming;

432.2 (2) maintaining shelter operations and services at Avivo Village, including the shelter
432.3 comprised of 100 private dwellings and the American Indian Community Development
432.4 Corporation Homeward Bound 50-bed shelter;

432.5 (3) maintaining shelter operations and services at 24-hours-a-day, seven-days-a-week
432.6 shelters;

432.7 (4) providing housing-focused case management; and

432.8 (5) providing shelter diversion services.

432.9 (b) A grantee may contract with eligible nonprofit organizations and local and Tribal
432.10 governmental agencies to provide the services listed under paragraph (a).

432.11 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the
432.12 time and manner specified by the commissioner. The report must include how the grant
432.13 money was used and how many persons experiencing homelessness were served.

432.14 (b) The commissioner must submit a report to the chairs and ranking minority members
432.15 of the legislative committees with jurisdiction over homelessness no later than six months
432.16 after receiving the report under paragraph (a). The report submitted by the commissioner
432.17 must include the information specified in paragraph (a).

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

432.19 Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 1, is amended to read:

432.20 Subdivision 1. **Individual eligibility requirements.** An individual is eligible for and
432.21 entitled to a housing support payment to be made on the individual's behalf if the agency
432.22 has approved the setting where the individual will receive housing support and the individual
432.23 meets the requirements in paragraph (a), (b), **or** (c), **or** (d).

432.24 (a) The individual is aged, blind, or is over 18 years of age with a disability as determined
432.25 under the criteria used by the title II program of the Social Security Act, and meets the
432.26 resource restrictions and standards of section 256P.02, and the individual's countable income
432.27 after deducting the (1) exclusions and disregards of the SSI program, (2) the medical
432.28 assistance personal needs allowance under section 256B.35, and (3) an amount equal to the
432.29 income actually made available to a community spouse by an elderly waiver participant
432.30 under the provisions of sections 256B.0575, paragraph (a), clause (4), and 256B.058,
432.31 subdivision 2, is less than the monthly rate specified in the agency's agreement with the
432.32 provider of housing support in which the individual resides.

433.1 (b) The individual meets a category of eligibility under section 256D.05, subdivision 1,
433.2 paragraph (a), clauses (1), (3), (4) to (8), and (13), and paragraph (b), if applicable, and the
433.3 individual's resources are less than the standards specified by section 256P.02, and the
433.4 individual's countable income as determined under section 256P.06, less the medical
433.5 assistance personal needs allowance under section 256B.35 is less than the monthly rate
433.6 specified in the agency's agreement with the provider of housing support in which the
433.7 individual resides.

433.8 (c) The individual lacks a fixed, adequate, nighttime residence upon discharge from a
433.9 residential behavioral health treatment program, as determined by treatment staff from the
433.10 residential behavioral health treatment program. An individual is eligible under this paragraph
433.11 for up to three months, including a full or partial month from the individual's move-in date
433.12 at a setting approved for housing support following discharge from treatment, plus two full
433.13 months.

UES2995-2

492.2 Sec. 2. Minnesota Statutes 2022, section 256I.04, subdivision 1, is amended to read:

492.3 Subdivision 1. **Individual eligibility requirements.** An individual is eligible for and
492.4 entitled to a housing support payment to be made on the individual's behalf if the agency
492.5 has approved the setting where the individual will receive housing support and the individual
492.6 meets the requirements in paragraph (a), (b), **or** (c), **or** (d).

492.7 (a) The individual is aged, blind, or is over 18 years of age with a disability as determined
492.8 under the criteria used by the title II program of the Social Security Act, and meets the
492.9 resource restrictions and standards of section 256P.02, and the individual's countable income
492.10 after deducting the (1) exclusions and disregards of the SSI program, (2) the medical
492.11 assistance personal needs allowance under section 256B.35, and (3) an amount equal to the
492.12 income actually made available to a community spouse by an elderly waiver participant
492.13 under the provisions of sections 256B.0575, paragraph (a), clause (4), and 256B.058,
492.14 subdivision 2, is less than the monthly rate specified in the agency's agreement with the
492.15 provider of housing support in which the individual resides.

492.16 (b) The individual meets a category of eligibility under section 256D.05, subdivision 1,
492.17 paragraph (a), clauses (1), (3), (4) to (8), and (13), and paragraph (b), if applicable, and the
492.18 individual's resources are less than the standards specified by section 256P.02, and the
492.19 individual's countable income as determined under section 256P.06, less the medical
492.20 assistance personal needs allowance under section 256B.35 is less than the monthly rate
492.21 specified in the agency's agreement with the provider of housing support in which the
492.22 individual resides.

492.23 (c) The individual lacks a fixed, adequate, nighttime residence upon discharge from a
492.24 residential behavioral health treatment program, as determined by treatment staff from the
492.25 residential behavioral health treatment program. An individual is eligible under this paragraph
492.26 for up to three months, including a full or partial month from the individual's move-in date
492.27 at a setting approved for housing support following discharge from treatment, plus two full
492.28 months.

433.14 (d) The individual meets the criteria related to establishing a certified disability or
433.15 disabling condition in paragraph (a) or (b) and lacks a fixed, adequate, nighttime residence
433.16 upon discharge from a correctional facility, as determined by an authorized representative
433.17 from a Minnesota-based correctional facility. An individual is eligible under this paragraph
433.18 for up to three months, including a full or partial month from the individual's move-in date
433.19 at a setting approved for housing support following release, plus two full months. People
433.20 who meet the disabling condition criteria established in paragraph (a) or (b) will not have
433.21 any countable income for the duration of eligibility under this paragraph.

492.29 (d) The individual meets the criteria related to establishing a certified disability or
492.30 disabling condition in paragraph (a) or (b) and lacks a fixed, adequate, nighttime residence
492.31 upon discharge from a correctional facility, as determined by an authorized representative
492.32 from a Minnesota-based correctional facility. An individual is eligible under this paragraph
492.33 for up to three months, including a full or partial month from the individual's move-in date
492.34 at a setting approved for housing support following release, plus two full months. People
493.1 who meet the disabling condition criteria established in paragraph (a) or (b) will not have
493.2 any countable income for the duration of eligibility under this paragraph.

493.3 **EFFECTIVE DATE.** This section is effective November 1, 2024.

493.4 Sec. 3. Minnesota Statutes 2022, section 256I.04, subdivision 3, is amended to read:

493.5 Subd. 3. **Moratorium on development of housing support beds.** (a) Agencies shall
493.6 not enter into agreements for new housing support beds with total rates in excess of the
493.7 MSA equivalent rate except:

493.8 (1) for establishments licensed under chapter 245D provided the facility is needed to
493.9 meet the census reduction targets for persons with developmental disabilities at regional
493.10 treatment centers;

493.11 (2) up to 80 beds in a single, specialized facility located in Hennepin County that will
493.12 provide housing for chronic inebriates who are repetitive users of detoxification centers and
493.13 are refused placement in emergency shelters because of their state of intoxication, and
493.14 planning for the specialized facility must have been initiated before July 1, 1991, in
493.15 anticipation of receiving a grant from the Housing Finance Agency under section 462A.05,
493.16 subdivision 20a, paragraph (b);

493.17 (3) notwithstanding the provisions of subdivision 2a, for up to 226 supportive housing
493.18 units in Anoka, Carver, Dakota, Hennepin, or Ramsey, Scott, or Washington County for
493.19 homeless adults with a mental illness, a history of substance abuse, or human
493.20 immunodeficiency virus or acquired immunodeficiency syndrome. For purposes of this
493.21 section, "homeless adult" means a person who is living on the street or in a shelter or
493.22 discharged from a regional treatment center, community hospital, or residential treatment
493.23 program and has no appropriate housing available and lacks the resources and support
493.24 necessary to access appropriate housing. At least 70 percent of the supportive housing units
493.25 must serve homeless adults with mental illness, substance abuse problems, or human
493.26 immunodeficiency virus or acquired immunodeficiency syndrome who are about to be or,
493.27 within the previous six months, have been discharged from a regional treatment center, or
493.28 a state-contracted psychiatric bed in a community hospital, or a residential mental health
493.29 or substance use disorder treatment program. If a person meets the requirements of
493.30 subdivision 1, paragraph (a), and receives a federal or state housing subsidy, the housing
493.31 support rate for that person is limited to the supplementary rate under section 256I.05,
493.32 subdivision 1a, and is determined by subtracting the amount of the person's countable income
493.33 that exceeds the MSA equivalent rate from the housing support supplementary service rate.
493.34 A resident in a demonstration project site who no longer participates in the demonstration

494.1 program shall retain eligibility for a housing support payment in an amount determined
494.2 under section 256I.06, subdivision 8, using the MSA equivalent rate. Service funding under
494.3 section 256I.05, subdivision 1a, will end June 30, 1997, if federal matching funds are
494.4 available and the services can be provided through a managed care entity. If federal matching
494.5 funds are not available, then service funding will continue under section 256I.05, subdivision
494.6 1a;

494.7 (4) for an additional two beds, resulting in a total of 32 beds, for a facility located in
494.8 Hennepin County providing services for men with and recovering from substance use
494.9 disorder that has had a housing support contract with the county and has been licensed as
494.10 a board and lodge facility with special services since 1980;

494.11 (5) for a housing support provider located in the city of St. Cloud, or a county contiguous
494.12 to the city of St. Cloud, that operates a 40-bed facility, that received financing through the
494.13 Minnesota Housing Finance Agency Ending Long-Term Homelessness Initiative and serves
494.14 clientele with substance use disorder, providing 24-hour-a-day supervision;

494.15 (6) for a new 65-bed facility in Crow Wing County that will serve persons with substance
494.16 use disorder, operated by a housing support provider that currently operates a 304-bed
494.17 facility in Minneapolis, and a 44-bed facility in Duluth;

494.18 (7) for a housing support provider that operates two ten-bed facilities, one located in
494.19 Hennepin County and one located in Ramsey County, that provide community support and
494.20 24-hour-a-day supervision to serve the mental health needs of individuals who have
494.21 chronically lived unsheltered; and

494.22 (8) for a facility authorized for recipients of housing support in Hennepin County with
494.23 a capacity of up to 48 beds that has been licensed since 1978 as a board and lodging facility
494.24 and that until August 1, 2007, operated as a licensed substance use disorder treatment
494.25 program.

494.26 (b) An agency may enter into a housing support agreement for beds with rates in excess
494.27 of the MSA equivalent rate in addition to those currently covered under a housing support
494.28 agreement if the additional beds are only a replacement of beds with rates in excess of the
494.29 MSA equivalent rate which have been made available due to closure of a setting, a change
494.30 of licensure or certification which removes the beds from housing support payment, or as
494.31 a result of the downsizing of a setting authorized for recipients of housing support. The
494.32 transfer of available beds from one agency to another can only occur by the agreement of
494.33 both agencies.

495.1 Sec. 4. Minnesota Statutes 2022, section 256I.05, subdivision 1a, is amended to read:

495.2 Subd. 1a. **Supplementary service rates.** (a) Subject to the provisions of section 256I.04,
495.3 subdivision 3, the agency may negotiate a payment not to exceed \$426.37 \$531.12 for other
495.4 services necessary to provide room and board if the residence is licensed by or registered
495.5 by the Department of Health, or licensed by the Department of Human Services to provide
495.6 services in addition to room and board, and if the provider of services is not also concurrently

495.7 receiving funding for services for a recipient in the residence under ~~a~~ the following programs
495.8 or funding sources: (1) home and community-based waiver services under title ~~XIX~~ of the
495.9 federal Social Security Act chapter 256S or section 256B.0913, 256B.092, or 256B.49; ~~or~~
495.10 funding from the medical assistance program (2) personal care assistance under section
495.11 256B.0659, for personal care services for residents in the setting; ~~or residing in a setting~~
495.12 ~~which receives funding under~~ (3) community first services and supports under section
495.13 256B.85; or (4) services for adults with mental illness grants under section 245.73. If funding
495.14 is available for other necessary services through a home and community-based waiver, ~~or~~
495.15 under chapter 256S, or section 256B.0913, 256B.092, or 256B.49; personal care assistance
495.16 services under section 256B.0659; community first services and supports under section
495.17 256B.85; or services for adults with mental illness grants under section 245.73, then the
495.18 housing support rate is limited to the rate set in subdivision 1. Unless otherwise provided
495.19 in law, in no case may the supplementary service rate exceed \$426.37 \$531.12. The
495.20 registration and licensure requirement does not apply to establishments which are exempt
495.21 from state licensure because they are located on Indian reservations and for which the tribe
495.22 has prescribed health and safety requirements. Service payments under this section may be
495.23 prohibited under rules to prevent the supplanting of federal funds with state funds. ~~The~~
495.24 ~~commissioner shall pursue the feasibility of obtaining the approval of the Secretary of Health~~
495.25 ~~and Human Services to provide home and community-based waiver services under title~~
495.26 ~~XIX of the federal Social Security Act for residents who are not eligible for an existing~~
495.27 ~~home and community-based waiver due to a primary diagnosis of mental illness or substance~~
495.28 ~~use disorder and shall apply for a waiver if it is determined to be cost-effective.~~

495.29 (b) The commissioner is authorized to make cost-neutral transfers from the housing
495.30 support fund for beds under this section to other funding programs administered by the
495.31 department after consultation with the agency in which the affected beds are located. The
495.32 commissioner may also make cost-neutral transfers from the housing support fund to agencies
495.33 for beds permanently removed from the housing support census under a plan submitted by
495.34 the agency and approved by the commissioner. The commissioner shall report the amount
495.35 of any transfers under this provision annually to the legislature.

496.1 (c) Agencies must not negotiate supplementary service rates with providers of housing
496.2 support that are licensed as board and lodging with special services and that do not encourage
496.3 a policy of sobriety on their premises and make referrals to available community services
496.4 for volunteer and employment opportunities for residents.

496.5 **EFFECTIVE DATE.** This section is effective January 1, 2024.

496.6 Sec. 5. Minnesota Statutes 2022, section 256I.05, subdivision 2, is amended to read:

496.7 Subd. 2. **Monthly rates; exemptions.** This subdivision applies to a residence that on
496.8 August 1, 1984, was licensed by the commissioner of health only as a boarding care home,
496.9 certified by the commissioner of health as an intermediate care facility, and licensed by the
496.10 commissioner of human services under Minnesota Rules, parts 9520.0500 to 9520.0670.
496.11 Notwithstanding the provisions of subdivision 1c, the rate paid to a facility reimbursed
496.12 under this subdivision shall be determined under chapter 256R, if the facility is accepted

496.13 by the commissioner for participation in the alternative payment demonstration project. The
496.14 rate paid to this facility shall also include adjustments to the room and board rate according
496.15 to subdivision 1, and any adjustments applicable to supplemental service rates statewide.

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186.3 Sec. 2. Minnesota Statutes 2022, section 256K.45, subdivision 3, is amended to read:

186.4 Subd. 3. **Street and community outreach and drop-in program.** Youth drop-in centers
186.5 must provide walk-in access to crisis intervention and ongoing supportive services including
186.6 one-to-one case management services on a self-referral basis. Street and community outreach
186.7 programs must locate, contact, and provide information, referrals, and services to homeless
186.8 youth, youth at risk of homelessness, and runaways. Information, referrals, and services
186.9 provided may include, but are not limited to:

- 186.10 (1) family reunification services;
- 186.11 (2) conflict resolution or mediation counseling;
- 186.12 (3) assistance in obtaining temporary emergency shelter;
- 186.13 (4) assistance in obtaining food, clothing, medical care, or mental health counseling;
- 186.14 (5) counseling regarding violence, sexual exploitation, substance abuse, sexually
186.15 transmitted diseases, and pregnancy;
- 186.16 (6) referrals to other agencies that provide support services to homeless youth, youth at
186.17 risk of homelessness, and runaways;
- 186.18 (7) assistance with education, employment, and independent living skills;
- 186.19 (8) aftercare services;
- 186.20 (9) specialized services for highly vulnerable runaways and homeless youth, including
186.21 teen but not limited to youth at risk of discrimination based on sexual orientation or gender
186.22 identity, young parents, emotionally disturbed and mentally ill youth, and sexually exploited
186.23 youth; and
- 186.24 (10) homelessness prevention.

186.25 Sec. 3. Minnesota Statutes 2022, section 256K.45, subdivision 7, is amended to read:

186.26 Subd. 7. **Provider repair or improvement grants.** (a) Providers that serve homeless
186.27 youth under this section may apply for a grant of up to \$200,000 \$500,000 under this
186.28 subdivision to make minor or mechanical repairs or improvements to a facility providing
186.29 services to homeless youth or youth at risk of homelessness.

187.1 (b) Grant applications under this subdivision must include a description of the repairs
187.2 or improvements and the estimated cost of the repairs or improvements.

433.22 Sec. 6. **[256K.47] SAFE HARBOR SHELTER AND HOUSING.**

433.23 Subdivision 1. **Grant program established.** The commissioner of human services must
 433.24 establish a safe harbor shelter and housing grant program. Under this grant program, the
 433.25 commissioner must award grants to providers who are committed to serving sexually
 433.26 exploited youth and youth at risk of sexual exploitation. Grantees must use grant money to
 433.27 provide street and community outreach programs, emergency shelter programs, or supportive
 433.28 housing programs consistent with the program descriptions in this section to address the
 433.29 specialized outreach, shelter, and housing needs of sexually exploited youth and youth at
 433.30 risk of sexual exploitation.

433.31 Subd. 2. **Youth eligible services.** Youth 24 years of age or younger are eligible for all
 433.32 shelter, housing beds, and services provided under this section and all services, support,
 433.33 and programs provided by the commissioner of health to sexually exploited youth and youth
 433.34 at risk of sexual exploitation under sections 145.4716 and 145.4717.

434.1 Subd. 3. **Street and community outreach.** (a) Street and community outreach programs
 434.2 must locate, contact, and provide information, referrals, and services to eligible youth.

434.3 (b) Information, referrals, and services provided by street and community outreach
 434.4 programs may include but are not limited to:

- 434.5 (1) family reunification services;
- 434.6 (2) conflict resolution or mediation counseling;
- 434.7 (3) assistance in obtaining temporary emergency shelter;
- 434.8 (4) assistance in obtaining food, clothing, medical care, or mental health counseling;
- 434.9 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
 434.10 infections, and pregnancy;
- 434.11 (6) referrals to other agencies that provide support services to sexually exploited youth
 434.12 and youth at risk of sexual exploitation;
- 434.13 (7) assistance with education, employment, and independent living skills;
- 434.14 (8) aftercare services;

187.3 (e) **Grantees under this subdivision cannot receive grant funds under this subdivision
 187.4 for two consecutive years.**

187.5 Sec. 4. Minnesota Statutes 2022, section 256K.45, is amended by adding a subdivision to
 187.6 read:

187.7 Subd. 8. **Awarding of grants.** For grants awarded pursuant to a two-year grant contract,
 187.8 the commissioner shall permit grant recipients to carry over any unexpended amount from
 187.9 the first contract year to the second contract year.

187.10 Sec. 5. **[256K.47] SAFE HARBOR SHELTER AND HOUSING GRANT PROGRAM.**

187.11 Subdivision 1. **Grant program established.** The commissioner of human services shall
 187.12 establish the safe harbor shelter and housing grant program and award grants to providers
 187.13 who are committed to serving sexually exploited youth and youth at risk of sexual
 187.14 exploitation. The grant program is to provide street and community outreach programs,
 187.15 emergency shelter programs, and supportive housing programs, consistent with the program
 187.16 descriptions in this section in order to address the specialized outreach, shelter, and housing
 187.17 needs of sexually exploited youth and youth at risk of sexual exploitation.

187.18 Subd. 2. **Youth eligible for services.** Youth 24 years of age or younger shall be eligible
 187.19 for all shelter, housing beds, and services provided under this section and all services,
 187.20 support, and programs provided by the commissioner of health to sexually exploited youth
 187.21 and youth at risk of sexual exploitation under sections 145.4716 and 145.4717.

187.22 Subd. 3. **Street and community outreach.** Street and community outreach programs
 187.23 receiving grants under this section must locate, contact, and provide information, referrals,
 187.24 and services to eligible youth. Information, referrals, and services provided by street and
 187.25 community outreach programs may include but are not limited to:

- 187.26 (1) family reunification services;
- 187.27 (2) conflict resolution or mediation counseling;
- 187.28 (3) assistance in obtaining temporary emergency shelter;
- 187.29 (4) assistance in obtaining food, clothing, medical care, or mental health counseling;
- 187.30 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
 187.31 infections, and pregnancy;
- 188.1 (6) referrals to other agencies that provide support services to sexually exploited youth
 188.2 and youth at risk of sexual exploitation;
- 188.3 (7) assistance with education, employment, and independent living skills;
- 188.4 (8) aftercare services;

434.15 (9) specialized services for sexually exploited youth and youth at risk of sexual
 434.16 exploitation, including youth experiencing homelessness and youth with mental health
 434.17 needs; and

434.18 (10) services to address the prevention of sexual exploitation and homelessness.

434.19 Subd. 4. **Emergency shelter program.** (a) Emergency shelter programs must provide
 434.20 eligible youth with referral and walk-in access to emergency short-term residential care.
 434.21 The program shall provide eligible youth with safe and dignified shelter that includes private
 434.22 shower facilities, beds, and meals each day and must assist eligible youth with reunification
 434.23 with that youth's family or legal guardian when required or appropriate.

434.24 (b) The services provided at emergency shelters may include but are not limited to:

434.25 (1) specialized services to address the trauma of sexual exploitation;

434.26 (2) family reunification services;

434.27 (3) individual, family, and group counseling;

434.28 (4) assistance obtaining clothing;

434.29 (5) access to medical and dental care and mental health counseling;

435.1 (6) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
 435.2 infections, and pregnancy;

435.3 (7) education and employment services;

435.4 (8) recreational activities;

435.5 (9) advocacy and referral services;

435.6 (10) independent living skills training;

435.7 (11) aftercare and follow-up services;

435.8 (12) transportation; and

435.9 (13) services to address the prevention of sexual exploitation and homelessness.

435.10 Subd. 5. **Supportive housing programs.** (a) Supportive housing programs must help
 435.11 eligible youth find and maintain safe and dignified housing and provide related supportive
 435.12 services and referrals. Supportive housing programs may also provide rental assistance.

435.13 (b) The services provided in supportive housing programs may include but are not limited
 435.14 to:

435.15 (1) specialized services to address the trauma of sexual exploitation;

435.16 (2) education and employment services;

188.5 (9) specialized services for sexually exploited youth and youth at risk of sexual
 188.6 exploitation, including youth experiencing homelessness and youth with mental health
 188.7 needs; and

188.8 (10) services to address the prevention of sexual exploitation and homelessness.

188.9 Subd. 4. **Emergency shelter program.** (a) Emergency shelter programs must provide
 188.10 eligible youth with referral and walk-in access to emergency short-term residential care.
 188.11 The program shall provide eligible youth with safe, dignified shelter, including private
 188.12 shower facilities, beds, and meals each day; and shall assist eligible youth with reunification
 188.13 with the family or legal guardian when required or appropriate.

188.14 (b) The services provided at emergency shelters may include but are not limited to:

188.15 (1) specialized services to address the trauma of sexual exploitation;

188.16 (2) family reunification services;

188.17 (3) individual, family, and group counseling;

188.18 (4) assistance obtaining clothing;

188.19 (5) access to medical and dental care and mental health counseling;

188.20 (6) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
 188.21 infections, and pregnancy;

188.22 (7) education and employment services;

188.23 (8) recreational activities;

188.24 (9) advocacy and referral services;

188.25 (10) independent living skills training;

188.26 (11) aftercare and follow-up services;

188.27 (12) transportation; and

188.28 (13) services to address the prevention of sexual exploitation and homelessness.

189.1 Subd. 5. **Supportive housing programs.** Supportive housing programs must help eligible
 189.2 youth find and maintain safe, dignified housing and provide related supportive services and
 189.3 referrals. The program may also provide rental assistance. Services provided in supportive
 189.4 housing programs may include but are not limited to:

189.5 (1) specialized services to address the trauma of sexual exploitation;

189.6 (2) education and employment services;

435.17 (3) budgeting and money management;
435.18 (4) assistance in securing housing appropriate to needs and income;
435.19 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
435.20 infections, and pregnancy;
435.21 (6) referral for medical services or chemical dependency treatment;
435.22 (7) parenting skills;
435.23 (8) self-sufficiency support services and independent living skills training;
435.24 (9) aftercare and follow-up services; and
435.25 (10) services to address the prevention of sexual exploitation and homelessness
435.26 prevention.

435.27 Subd. 6. **Funding.** Money appropriated for this section may be expended on programs
435.28 described in subdivisions 3 to 5, technical assistance, and capacity building to meet the
435.29 greatest need on a statewide basis.

436.1 Sec. 7. **[256K.50] FAMILY SUPPORTIVE HOUSING.**

436.2 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.
436.3 (b) "Family" means a nontemporary household unit that includes at least one child and
436.4 one parent or legal guardian.
436.5 (c) "Family permanent supportive housing" means housing that:
436.6 (1) is not time limited;
436.7 (2) is affordable for those at or below 30 percent of the area median income;
436.8 (3) offers specialized support services to residents tailored to the needs of children and
436.9 families; and
436.10 (4) is available to families with multiple barriers to obtaining and maintaining housing,
436.11 including but not limited to those who are homeless or at risk of homelessness; those with
436.12 mental illness, substance use disorders, and other disabilities; and those referred by child
436.13 protection services.
436.14 (d) "Resident" means a resident of family permanent supportive housing.

436.15 Subd. 2. **Specialized family support services.** Specialized family support services are
436.16 nonmandatory, trauma-informed, and culturally appropriate services designed to help family
436.17 residents maintain secure, dignified housing and provide a safe, stable environment for
436.18 children. Services provided may include but are not limited to:

189.7 (3) budgeting and money management;
189.8 (4) assistance in securing housing appropriate to needs and income;
189.9 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
189.10 infections, and pregnancy;
189.11 (6) referral for medical services or chemical dependency treatment;
189.12 (7) parenting skills;
189.13 (8) self-sufficiency support services and independent living skills training;
189.14 (9) aftercare and follow-up services; and
189.15 (10) services to address the prevention of sexual exploitation and homelessness
189.16 prevention.

189.17 Subd. 6. **Funding.** Money appropriated for this section may be expended on programs
189.18 described under subdivisions 3 to 5, technical assistance, and capacity building to meet the
189.19 greatest need on a statewide basis.

436.19 (1) age-appropriate child-centric services for education and enrichment;
436.20 (2) stabilization services such as:
436.21 (i) educational assessments and referrals to educational programs;
436.22 (ii) career planning, work skill training, job placement, and employment retention;
436.23 (iii) budgeting and money management;
436.24 (iv) referrals for counseling regarding violence and sexual exploitation;
436.25 (v) referrals for medical or psychiatric services or substance use disorder treatment;
436.26 (vi) parenting skills training;
436.27 (vii) self-sufficiency support services or life skill training, including tenant education
436.28 and support to sustain housing; and
436.29 (viii) aftercare and follow-up services; and
437.1 (3) 24-hour-a-day, seven-days-a-week on-site staffing, including but not limited to front
437.2 desk and security.
437.3 Subd. 3. **Funding.** Money appropriated for this section may be expended on programs
437.4 described under subdivision 2, technical assistance, and capacity building to meet the greatest
437.5 need on a statewide basis. The commissioner must provide outreach, technical assistance,
437.6 and program development support to increase capacity to new and existing service providers
437.7 to better meet needs statewide.
437.8 Sec. 8. Laws 2021, First Special Session chapter 7, article 17, section 5, subdivision 1, is
437.9 amended to read:
437.10 Subdivision 1. **Housing transition cost.** (a) This act includes \$682,000 in fiscal year
437.11 2022 and \$1,637,000 in fiscal year 2023 for a onetime payment per transition of up to \$3,000
437.12 to cover costs associated with moving to a community setting that are not covered by other
437.13 sources. Covered costs include: (1) lease or rent deposits; (2) security deposits; (3) utilities
437.14 setup costs, including telephone and Internet services; and (4) essential furnishings and
437.15 supplies. The commissioner of human services shall seek an amendment to the medical
437.16 assistance state plan to allow for these payments as a housing stabilization service under
437.17 Minnesota Statutes, section 256B.051. The general fund base in this act for this purpose is
437.18 \$1,227,000 in fiscal year 2024 and \$0 in fiscal year 2025.
437.19 (b) This subdivision expires March 31, 2024.
437.20 (b) An individual is only eligible for a housing transition cost payment if the individual
437.21 is moving from an institution or provider-controlled setting into their own home.
437.22 **EFFECTIVE DATE.** This section is effective upon federal approval.

437.23 Sec. 9. **HOMELESS YOUTH CASH STIPEND PILOT PROJECT.**

437.24 Subdivision 1. **Pilot project established.** The commissioner of human services shall
 437.25 establish a homeless youth cash stipend pilot project to provide a direct cash stipend to
 437.26 homeless youth in Hennepin and St. Louis Counties. The pilot project must be designed to
 437.27 meet the needs of underserved communities.

437.28 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
 437.29 meanings given.

437.30 (b) "Commissioner" means the commissioner of human services.

438.1 (c) "Homeless youth" means a person 18 to 24 years of age who lacks a fixed, regular,
 438.2 and adequate nighttime residence. The following are not fixed, regular, or adequate nighttime
 438.3 residences:

438.4 (1) a supervised publicly or privately operated shelter designed to provide temporary
 438.5 living accommodations;

438.6 (2) an institution or a publicly or privately operated shelter designed to provide temporary
 438.7 living accommodations;

438.8 (3) transitional housing;

438.9 (4) a temporary placement with a peer, friend, or family member that has not offered
 438.10 permanent residence, a residential lease, or temporary lodging for more than 30 days; or

438.11 (5) a public or private place not designed for, nor ordinarily used as, a regular sleeping
 438.12 accommodation for human beings.

438.13 Subd. 3. **Administration.** The commissioner, as authorized by Minnesota Statutes,
 438.14 section 256.01, subdivision 2, paragraph (a), clause (6), shall contract with Youthprise to:

438.15 (1) identify eligible homeless youth under this section;

438.16 (2) provide technical assistance to cash stipend recipients;

438.17 (3) engage with cash stipend recipients to develop youth-designed optional services;

438.18 (4) evaluate the efficacy and cost-effectiveness of the pilot program;

438.19 (5) collaborate with youth leaders of each county to identify and contract with the
 438.20 appropriate service providers to offer financial coaching, housing navigation, employment,
 438.21 education services, and trauma-informed mentoring and support; and

438.22 (6) submit annual updates and a final report to the commissioner.

438.23 Subd. 4. **Eligibility.** Homeless youth who are 18 to 24 years of age and who live in
 438.24 Hennepin or St. Louis County at the time of initial enrollment are eligible to participate in
 438.25 the pilot project.

189.20 Sec. 6. **HOMELESS YOUTH CASH STIPEND PILOT PROJECT.**

189.21 Subdivision 1. **Pilot project established.** The commissioner of human services shall
 189.22 establish a homeless youth cash stipend pilot project to provide a direct cash stipend to
 189.23 homeless youth in St. Louis County. The pilot project must be designed to meet the needs
 189.24 of underserved communities.

189.25 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
 189.26 meanings given.

189.27 (b) "Commissioner" means the commissioner of human services.

189.28 (c) "Homeless youth" means a person 18 to 24 years of age who lacks a fixed, regular,
 189.29 and adequate nighttime residence. The following are not fixed, regular, or adequate nighttime
 189.30 residences:

190.1 (1) a supervised publicly or privately operated shelter designed to provide temporary
 190.2 living accommodations;

190.3 (2) an institution or a publicly or privately operated shelter designed to provide temporary
 190.4 living accommodations;

190.5 (3) transitional housing;

190.6 (4) a temporary placement with a peer, friend, or family member that has not offered
 190.7 permanent residence, a residential lease, or temporary lodging for more than 30 days; or

190.8 (5) a public or private place not designed for, nor ordinarily used as, a regular sleeping
 190.9 accommodation for human beings.

190.10 Subd. 3. **Administration.** The commissioner, as authorized by Minnesota Statutes,
 190.11 section 256.01, subdivision 2, paragraph (a), clause (6), shall contract with Youthprise to:

190.12 (1) identify eligible homeless youth under this section;

190.13 (2) provide technical assistance to cash stipend recipients;

190.14 (3) engage with cash stipend recipients to develop youth-designed optional services;

190.15 (4) evaluate the efficacy and cost-effectiveness of the pilot program;

190.16 (5) collaborate with youth leaders of each county to identify and contract with the
 190.17 appropriate service providers to offer financial coaching, housing navigation, employment,
 190.18 education services, and trauma-informed mentoring and support; and

190.19 (6) submit annual updates and a final report to the commissioner.

190.20 Subd. 4. **Eligibility.** Homeless youth who are 18 to 24 years of age and who live in St.
 190.21 Louis County at the time of initial enrollment are eligible to participate in the pilot project.

438.26 **Subd. 5. Cash stipend.** The commissioner, in consultation with Youthprise and Hennepin
 438.27 and St. Louis Counties, shall establish a stipend amount for eligible homeless youth who
 438.28 participate in the pilot project.

438.29 **Subd. 6. Stipends not to be considered income.** (a) Notwithstanding any law to the
 438.30 contrary, cash stipends under this section must not be considered income, assets, or personal
 438.31 property for purposes of determining eligibility or recertifying eligibility for:

439.1 (1) child care assistance programs under Minnesota Statutes, chapter 119B;
 439.2 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota
 439.3 Statutes, chapter 256D;
 439.4 (3) housing support under Minnesota Statutes, chapter 256I;
 439.5 (4) the Minnesota family investment program and diversionary work program under
 439.6 Minnesota Statutes, chapter 256J; and
 439.7 (5) economic assistance programs under Minnesota Statutes, chapter 256P.
 439.8 (b) The commissioner must not consider cash stipends under this section as income or
 439.9 assets for medical assistance under Minnesota Statutes, section 256B.056, subdivision 1a,
 439.10 paragraph (a); 3; or 3c.

439.11 **Subd. 7. Report.** The commissioner, in cooperation with Youthprise and Hennepin and
 439.12 St. Louis Counties, shall submit an annual report on Youthprise's findings regarding the
 439.13 efficacy and cost-effectiveness of the homeless youth cash stipend pilot project to the chairs
 439.14 and ranking minority members of the legislative committees with jurisdiction over homeless
 439.15 youth policy and finance by January 15, 2024, and each January 15 thereafter.

439.16 **Subd. 8. Expiration.** This section expires June 30, 2027.

190.22 **Subd. 5. Cash stipend.** The commissioner, in consultation with Youthprise and St. Louis
 190.23 County, shall establish a stipend amount for eligible homeless youth who participate in the
 190.24 pilot project.

190.25 **Subd. 6. Stipends not to be considered income.** (a) Notwithstanding any law to the
 190.26 contrary, cash stipends under this section must not be considered income, assets, or personal
 190.27 property for purposes of determining eligibility or recertifying eligibility for:

190.28 (1) child care assistance programs under Minnesota Statutes, chapter 119B;
 190.29 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota
 190.30 Statutes, chapter 256D;
 191.1 (3) housing support under Minnesota Statutes, chapter 256I;
 191.2 (4) the Minnesota family investment program and diversionary work program under
 191.3 Minnesota Statutes, chapter 256J; and
 191.4 (5) economic assistance programs under Minnesota Statutes, chapter 256P.
 191.5 (b) The commissioner must not consider cash stipends under this section as income or
 191.6 assets for medical assistance under Minnesota Statutes, section 256B.056, subdivision 1a,
 191.7 paragraph (a); 3; or 3c.
 191.8 (c) Postsecondary institutions as defined in Minnesota Statutes, section 136A.103, shall
 191.9 minimize any negative impact on student financial aid resulting from the receipt of cash
 191.10 stipends under this section.

191.11 **Subd. 7. Report.** The commissioner, in cooperation with Youthprise and St. Louis
 191.12 County, shall submit an annual report on Youthprise's findings regarding the efficacy and
 191.13 cost-effectiveness of the homeless youth cash stipend pilot project to the chairs and ranking
 191.14 minority members of the legislative committees with jurisdiction over homeless youth policy
 191.15 and finance by January 15, 2024, and each January 15 thereafter.

191.16 **Subd. 8. Expiration.** This section expires June 30, 2027.

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496.16 **Sec. 6. HOUSING SUPPORT SUPPLEMENTARY SERVICE RATE STUDY.**

496.17 (a) The commissioner of human services, in consultation with residents of housing
 496.18 support settings, providers, and lead agencies, must analyze housing support supplementary
 496.19 service rates under Minnesota Statutes, section 256I.05, to recommend a rate setting
 496.20 methodology that is person-centered, equitable, and adequately covers the cost to provide
 496.21 services. The analysis must include but is not limited to:

496.22 (1) a review of current supplemental rates;

439.17 Sec. 10. **HOUSING STABILIZATION SERVICES INFLATIONARY**
439.18 **ADJUSTMENT.**

439.19 The commissioner of human services shall seek federal approval to apply biennial
439.20 inflationary updates to housing stabilization services rates based on the consumer price
439.21 index. Beginning January 1, 2024, the commissioner must update rates using the most
439.22 recently available data from the consumer price index.

439.23 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
439.24 whichever is later. The commissioner shall notify the revisor of statutes when federal
439.25 approval is obtained.

496.23 (2) recommendations to avoid duplication of services, while ensuring informed choice;
496.24 and
496.25 (3) recommendations on an updated rate setting methodology.
496.26 (b) By January 15, 2026, the commissioner must submit a report, including
496.27 recommendations and draft legislative language, to the chairs and ranking minority members
496.28 of the legislative committees with jurisdiction over human services policy and finance.

496.29 Sec. 7. **HOUSING STABILIZATION SERVICES INFLATIONARY ADJUSTMENT.**

496.30 The commissioner of human services shall seek federal approval to apply biennial
496.31 inflationary updates to housing stabilization services rates based on the consumer price
497.1 index. Beginning January 1, 2024, the commissioner must update rates using the most
497.2 recently available data from the consumer price index.

497.3 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
497.4 whichever is later. The commissioner shall notify the revisor of statutes when federal
497.5 approval is obtained.

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191.17 Sec. 7. **EMERGENCY SHELTER FACILITIES.**

191.18 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
191.19 the meanings given.

191.20 (b) "Commissioner" means the commissioner of human services.

191.21 (c) "Eligible applicant" means a statutory or home rule charter city, county, Tribal
191.22 government, not-for-profit corporation under section 501(c)(3) of the Internal Revenue
191.23 Code, or housing and redevelopment authority established under Minnesota Statutes, section
191.24 469.003.

191.25 (d) "Emergency shelter facility" or "facility" means a facility that provides a safe, sanitary,
191.26 accessible, and suitable emergency shelter for individuals and families experiencing
191.27 homelessness, regardless of whether the facility provides emergency shelter during the day,
191.28 overnight, or both.

191.29 Subd. 2. **Project criteria.** (a) The commissioner shall prioritize grants under this section
191.30 for projects that improve or expand emergency shelter facility options by:

192.1 (1) adding additional emergency shelter facilities by renovating existing facilities not
192.2 currently operating as emergency shelter facilities;

192.3 (2) adding additional emergency shelter facility beds by renovating existing emergency
192.4 shelter facilities, including major projects that address an accumulation of deferred

192.5 maintenance or repair or replacement of mechanical, electrical, and safety systems and
192.6 components in danger of failure;
192.7 (3) adding additional emergency shelter facility beds through acquisition and construction
192.8 of new emergency shelter facilities;
192.9 (4) improving the safety, sanitation, accessibility, and habitability of existing emergency
192.10 shelter facilities, including major projects that address an accumulation of deferred
192.11 maintenance or repair or replacement of mechanical, electrical, and safety systems and
192.12 components in danger of failure; and
192.13 (5) improving access to emergency shelter facilities that provide culturally appropriate
192.14 shelter and gender-inclusive shelter.
192.15 (b) A grant under this section may be used to pay for 100 percent of total project capital
192.16 expenditures or a specified project phase, up to \$10,000,000 per project. For eligible
192.17 applicants seeking funding under this section for the acquisition and construction of new
192.18 emergency shelter facilities under paragraph (a), clause (3), the commissioner must give
192.19 priority to projects in which the eligible applicant will provide at least ten percent of total
192.20 project funding.
192.21 (c) All projects funded with a grant under this section must meet all applicable state and
192.22 local building codes at the time of project completion.
192.23 (d) The commissioner must use a competitive request for proposal process to identify
192.24 potential projects and eligible applicants on a statewide basis. At least 40 percent of the
192.25 appropriation under this section must be awarded to projects located in greater Minnesota.
192.26 If the commissioner does not receive sufficient eligible funding requests from greater
192.27 Minnesota to award at least 40 percent of the appropriation under this section to projects in
192.28 greater Minnesota, the commissioner may award the remaining funds to other eligible
192.29 projects.
192.30 (e) Notwithstanding Minnesota Statutes, sections 16B.98, subdivision 5, paragraph (a),
192.31 clauses (1) and (2), and 16C.05, subdivision 2, paragraph (a), clause (3), final grant recipients
192.32 from a competitive grant process may incur eligible expenses based on an agreed-upon
193.1 predesign and design work plan and budget commencing July 1, 2023, prior to an
193.2 encumbrance being established in the accounting system and grant execution.