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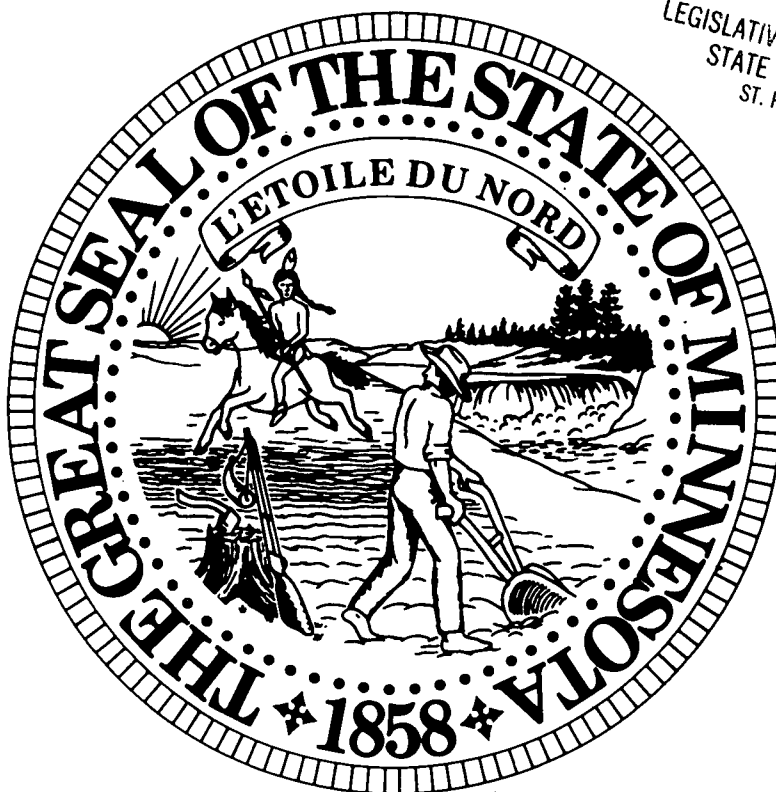
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The Minnesota
**State
Register**

Department of Administration—Print Communications Division

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State Register

Judicial Notice Shall Be Taken of Material Published in the *State Register*

The *State Register* is the official publication of the State of Minnesota, containing executive and commissioners' orders, proposed and adopted rules, official and revenue notices, professional, technical and consulting contracts, non-state bids and public contracts, and grants.

A *Contracts Supplement* is published Tuesday, Wednesday and Friday and contains bids and proposals, including printing bids.

Printing Schedule and Submission Deadlines

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30	Monday 24 January	Monday 10 January	Friday 14 January
31	Monday 31 January	Friday 14 January	Monday 24 January
32	Monday 7 February	Monday 24 January	Monday 31 January
33	Monday 14 February	Monday 31 January	Monday 7 February

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Arne H. Carlson, Governor
Debra Rae Anderson, Commissioner
Department of Administration

Kathi Lynch, Director
Print Communications Division
Debbie George, Circulation Manager

Jane E. Schmidley, Acting Editor
612/297-7963

FOR LEGISLATIVE NEWS

Publications containing news and information from the Minnesota Senate and House of Representatives are available free to concerned citizens and the news media. To be placed on the mailing list, write or call the offices listed below:

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Briefly-Preview—Senate news and committee calendar; published weekly during legislative sessions.

Perspectives—Publication about the Senate.

Session Review—Summarizes actions of the Minnesota Senate.

Contact: Senate Public Information Office
Room 231 State Capitol, St. Paul, MN 55155
(612) 296-0504

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Contact: House Information Office
Room 175 State Office Building, St. Paul, MN 55155
(612) 296-2146

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Commodity award results are available through the **Materials Management Helpline** 612/296-2600.

Minnesota Rules: Amendments and Additions

NOTICE: How to Follow State Agency Rulemaking in the *State Register*

The *State Register* is the official source, and only complete listing, for all state agency rulemaking in its various stages. State agencies are required to publish notice of their rulemaking action in the *State Register*. Published every Monday, the *State Register* makes it easy to follow and participate in the important rulemaking process. Approximately 75 state agencies have the authority to issue rules. Each agency is assigned specific *Minnesota Rule* chapter numbers. Every odd-numbered year the *Minnesota Rules* are published. This is a ten-volume bound collection of all adopted rules in effect at the time. Supplements are published to update this set of rules. Proposed and adopted emergency rules do not appear in this set because of their short-term nature, but are published in the *State Register*.

If an agency seeks outside opinion before issuing new rules or rule amendments, it must publish a NOTICE OF INTENT TO SOLICIT OUTSIDE OPINION in the *Official Notices* section of the *State Register*. When rules are first drafted, state agencies publish them as **Proposed Rules**, along with a notice of hearing, or notice of intent to adopt rules without a hearing in the case of noncontroversial rules. This notice asks for comment on the rules as proposed. Proposed emergency rules and withdrawn proposed rules are also published in the *State Register*. After proposed rules have gone through the comment period, and have been rewritten into their final form, they again appear in the *State Register* as **Adopted Rules**. These final adopted rules are not printed in their entirety in the *State Register*, only the changes made since their publication as Proposed Rules. To see the full rule, as adopted and in effect, a person simply needs two issues of the *State Register*, the issue the rule appeared in as proposed, and later as adopted. For a more detailed description of the rulemaking process, see the *Minnesota Guidebook to State Agency Services*.

The *State Register* features partial and cumulative listings of rules in this section on the following schedule: issues 1-13 inclusive; issues 14-25 inclusive; issue 26, cumulative for issues 1-26; issues 27-38 inclusive; issue 39, cumulative for 1-39; issues 40-51 inclusive; and issue 52, cumulative for 1-52. An annual subject matter index for rules appears in August. For copies of the *State Register*, a subscription, the annual index, the *Minnesota Rules* or the *Minnesota Guidebook to State Agency Services*, contact the Print Communications Division, 117 University Avenue, St. Paul, MN 55155 (612) 297-3000 or toll-free in Minnesota 1-800-657-3757.

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Proposed Rules

Pursuant to Minn. Stat. §14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing, as long as the agency determines that the rules will be noncontroversial in nature. The agency must first publish a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. The notice must advise the public:

1. that they have 30 days in which to submit comment on the proposed rules;
2. that no public hearing will be held unless 25 or more persons make a written request for a hearing within the 30-day comment period;
3. of the manner in which persons shall request a hearing on the proposed rules; and
4. that the rule may be modified if the modifications are supported by the data and views submitted

If, during the 30-day comment period, 25 or more persons submit to the agency a written request for a hearing of the proposed rules, the agency must proceed under the provisions of §§14.14-14.20, which state that if an agency decides to hold a public hearing, it must publish a notice of intent in the *State Register*.

Pursuant to Minn. Stat. §§14.29 and 14.30, agencies may propose emergency rules under certain circumstances. Proposed emergency rules are published in the *State Register* and, for at least 25 days thereafter, interested persons may submit data and views in writing to the proposing agency.

Department of Agriculture

Proposed Permanent Rules Relating to Commodity Council Promotional Orders

Notice of Intent to Adopt a Rule Without a Public Hearing

The Minnesota Department of Agriculture intends to adopt amendments to rules without a public hearing following the procedures set forth in the Administrative Procedures Act sections 14.22-14.28. You have 30 days to submit written comment on the proposed amendments and may also submit a written request that a hearing be held on the amendments.

Department Contact Person. Comments or questions on the amendments and written requests for a public hearing on the amendments must be submitted to:

Carol Milligan
Minnesota Department of Agriculture
90 West Plato Boulevard
St. Paul, MN 55107
(612) 296-6906
Fax (612) 297-7678.

Subject of Rules and Statutory Authority. The proposed amendments are about commissioner review of commodity council budgets. The statutory authority to adopt these amendments is *Minnesota Statutes*, section 17.58, subd. 4. A copy of the proposed rules is published in the *State Register* and attached to this notice as mailed.

Comments. You have until 4:30 p.m. February 23, 1994, to submit written comment in support of or in opposition to the proposed amendments or any subpart of the amendments. Your comments must be in writing and received by the agency contact person by the due date. Comment is encouraged. Your comments should identify the portion of the proposed amendments addressed, the reason for the comment, and any change proposed.

Request for a Hearing. In addition to submitting comments, you may also request that a hearing be held on the amendments. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m. on February 23, 1994. Your written request for a public hearing must include your name and address. You are encouraged to identify the portion of the proposed amendments which caused your request, the reason for the request, and any changes you want made to the proposed amendments. If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraw their request in writing. If a public hearing is required, the department will proceed according to *Minnesota Statutes*, sections 14.131-14.20.

Modifications. The proposed amendments may be modified as a result of public comment. The modifications must be supported by the data and views submitted to the department and may not result in a substantial change in the proposed amendments as attached and printed in the *State Register*. If the proposed amendments affect you in any way, you are encouraged to participate in the rulemaking process.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

Statement of Need and Reasonableness. A Statement of Need and Reasonableness is now available from the department contact person. This statement describes the need for and reasonableness of each provision of the proposed amendments and identifies the data and information relied upon to support the proposed amendments.

Small Business Considerations. The rule will have no impact on small business.

Adoption and Review of the Rules. If no hearing is required, after the end of the comment period the department may adopt the amendments. The amendments and supporting documents will then be submitted to the Attorney General for review as to legality and form to the extent that form relates to legality. You may request to be notified of the date the amendments are submitted to the Attorney General or be notified of the Attorney General's decision on the amendments. If you wish to be so notified or wish to receive a copy of the adopted amendments, submit your request to the department contact person listed above.

Dated: 3 January 1994

Elton Redalen, Commissioner
Department of Agriculture

Rules as Proposed

1570.0500 POWERS AND DUTIES OF THE COUNCIL.

[For text of subs 1 to 3, see M.R.]

Subp. 4. **Other actions.** The council shall take the actions listed in items A to D:

A. The council shall prepare an annual estimated budget for the operation of the promotional order and submit it to the commissioner for approval before the marketing year begins unless the promotional order directs otherwise. Budgets may be revised during the marketing year. If they are, the commissioner must be notified within 20 days of the revision. Minutes of the council meeting, documenting the changes and the reasons for them, shall constitute notification to the commissioner. Budgets or budget revisions may be prepared on forms provided by the commissioner or on similar forms.

[For text of items B to D, see M.R.]

[For text of subs 5 to 8, see M.R.]

Board of Architecture, Engineering, Land Surveying, Landscape Architecture and Interior Design

Proposed Permanent Rules Relating to Examination of Interior Designer Applicants

Notice of Intent to Adopt Rules Without a Public Hearing

The Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture and Interior Design ("Board") intends to adopt a permanent rule without a public hearing following the procedures set forth in the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28 (1992). You have 30 days in which to submit a written request that a hearing be held on the rule.

Agency Contact Person. Comments or questions on the rule and written requests for a public hearing on the rule must be submitted to:

Pamela K. Smith
Executive Secretary
Minnesota Board of
Architecture, Engineering
Land Surveying, Landscape
Architecture and Interior Design
133 East 7th Street
St. Paul, Minnesota 55101
Telephone: (612) 296-2388

Subject of Rule and Statutory Authority. The proposed rule relates to the examination of interior designer applicants. The statutory authority to adopt this rule is *Minn. Stat.* § § 214.12, subd. 2 and 326.06 (1992). A copy of the proposed rule is published in the *State Register* and attached to this notice as mailed.

Comments. You have until 4:30 p.m. on February 24, 1994, to submit written comment in support of or in opposition to the proposed rule and any part or subpart of the rule. Your comment must be in writing and received by the agency contact person by the

due date. Comment is encouraged. Your comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Request for a Hearing. In addition to submitted comments, you may also request that a hearing be held on the rule. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m. on February 24, 1994. Your written request for public hearing must include your name and address. You are encouraged to identify the portion of the proposed rule which caused your request, the reason for the request and any changes you want made to the proposed rule. If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraw their requests in writing. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131-14.20.

Modifications. The proposed rule may be modified as a result of public comment. The modifications must be supported by data and view submitted to the agency and may not result in a substantial change in the proposed rules as attached and printed in the *State Register*. If the proposed rule affects you in any way, you are encouraged to participate in the rulemaking process.

Statement of Need and Reasonableness. A Statement of Need and Reasonableness is now available from the agency contact person. This statement describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule.

Small Business Considerations: It is the position of the Board that *Minn. Stat.* § 14.115 (1992) relating to small business considerations in rulemaking does not apply to the rules it promulgates. *Minn. Stat.* § 14.115, subd. 7(2) (1992) states that section 14.115 (1992) does not apply to "agency rules that do not affect small businesses directly." The Board's authority relates only to certified interior designers as individuals and not to the businesses they operate.

However, should these proposed rules in some way be construed as being subject to *Minn. Stat.* § 14.115 (1992), the Board notes below how the five suggested methods listed in section 14.115, subdivision 2, for reducing the impact of the rules on small businesses should be applied to the proposed rules. The five suggested methods enumerated in subdivision 2 are as follows:

- (a) The establishment of less stringent compliance or reporting requirements for small businesses.
- (b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.
- (c) The consolidation or simplification of compliance or reporting requirements for small businesses.
- (d) The establishment of performance standards for small businesses to replace design or operational standards required in the rule.
- (e) The exemption of small businesses from any or all requirements of the rule.

The feasibility of implementing each of the five suggested methods and whether implementing any of the five methods would be consistent with the statutory objectives that are the basis for this rulemaking are considered below.

1. It would not be feasible to incorporate any of the five suggested methods into these proposed rules.

Methods (a) to (c) relate to lessening compliance or reporting requirements for small businesses either by establishing less stringent requirements, establishing less stringent schedules or deadlines for compliance with the requirements, or consolidating or simplifying the requirements. Since the Board is not proposing any compliance or reporting requirements for either small or large businesses, it follows that there are no such requirements for the Board to lessen with respect to small businesses. If, however, these proposed rules are viewed as compliance or reporting requirements for businesses, then the Board finds that it would be unworkable to lessen the requirements for those certified interior designers who practice in a solo or small setting of fewer than 50 employees, since that would include at a minimum the vast majority of licensees and probably all of them. Method (d) suggests replacing design or operational standards with performance standards for small businesses. The Board's rules do not propose design or operational standards for businesses and therefore there is no reason to implement performance standards for small businesses as a replacement for design or operational standards that do not exist. Finally, method (e) suggests exempting small businesses for any or all requirements of the rules. The application of this provision would exempt virtually all licensees from the purview of the rules, a result which would be absurd.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Proposed Rules

2. Reducing the impact of the proposed amendments on small businesses would undermine the objectives of the Minnesota law for certified interior designers.

Pursuant to *Minn. Stat.* § 326.06 et seq., the Board was created for the purpose of establishing requirements for licensure and adopting standards for disciplinary action to govern the practices or behavior of all licensees. Pursuant to *Minn. Stat.* § 326.06, the Board is specifically mandated to promulgate rules as may be necessary to carry out the Board's purposes. Given these statutory mandates, it is the Board's duty to establish licensure qualifications and disciplinary standards which apply to and govern all applicants and licensees regardless of the nature of their practice. As stated above, it is the Board's position that the proposed rules will not affect small businesses and certainly do not have the potential for imposing a greater impact on certified interior designers in a solo or small practice than on those practices large enough to remove them from the definition of small business. It has also been explained above that the Board considers it infeasible to implement any of the five suggested methods enumerated in subdivision 2 of the small business statute. Nonetheless, to the extent that the proposed rules may affect the business operation of a certified interior designer and to the extent it may be feasible to implement any of the suggested methods for lessening the impact on small businesses, the Board believes it would be unwise and contrary to the purposes to be served by these rules for the Board to exempt one group of certified interior designers - indeed, the vast majority of certified interior designers - from the requirements of these rules. Similarly, the Board believes it would be unwise and contrary to its statutory mandate for the Board to adopt one set of standards for those certified interior designers (which may consist of a nonexistent class) who work in a large business setting and adopt another, less stringent, set of standards to be applied to those certified interior designers who practice in a solo or small practice. It is the Board's view that these rules must apply equally to all certified interior designers if the public whom they serve is to be adequately protected.

Licensees, regardless of whether they are considered as individuals or small businesses, have had and will continue to have an opportunity to participate in the rulemaking process for these proposed rules. The Board has used a very open process to draft these rules and has kept the various associations well informed of the proposed rules as they were developed. The associations have in turn informed their constituents.

Expenditure of Public Money by local Public Bodies and Impact on Agricultural Land. Promulgation of these proposed rules will not result in the expenditure of public monies by local public bodies nor have any impact on agricultural land; therefore, no further information need be provided under *Minn. Stat.* § 14.11 (1992).

Adoption and Review of Rule. If no hearing is required after the end of the comment period the Board may adopt the rule. The rule and supporting documents will then be submitted to the Attorney General for review as to legality and form to the extent form relates to legality. You may request to be notified of the date the rule is submitted to the Attorney General or be notified of the Attorney General's decision on the rule. If you wish to be so notified, or wish to receive a copy of the adopted rule, submit your request to the agency contact person listed above.

Dated: 7 January 1994

Pamela K. Smith
Executive Secretary

Rules as Proposed

1800.0500 FEES.

[For text of subps 1 and 2, see M.R.]

Subp. 3. **Initial licensure and renewal.** The fee for licensure, or renewal of licensure, as an architect, professional engineer, land surveyor, or landscape architect is \$70 per biennium. The fee for certification as a certified interior designer or for renewal of the certificate is \$70 per biennium. The fee for an architect applying for original certification as a certified interior designer is \$50 per biennium. The initial license or certificate fee is prorated at six-month intervals during each biennium. The fee for months 24 to 18 is \$70; for months 18 to 12, \$52.50; for months 12 to 6, \$35; and for months 6 to 0, \$17.50. Beginning July 1, 1994, the initial license or certification fee for all professions is \$70. The renewal fee shall be paid biennially on or before June 30 of each even-numbered year. ~~The board may delete from the roster of licensees the name of any licensee who fails to timely pay the required renewal fee.~~ The renewal fee, when paid by mail, is not timely paid unless it is postmarked on or before June 30 of each even-numbered year.

[For text of subp 4, see M.R.]

Subp. 5. **Certification or licensure examination fee.** The fee for examination for certification or licensure as an architect, professional engineer, land surveyor, or landscape architect, or certified interior designer is as follows:

[For text of items A to D, see M.R.]

E. Certified interior designer examination, \$475.

Subp. 6. **Reexamination fees.** The fee for retaking all or any part of any examination for certification or licensure is as follows each time the examination, or any part of it, is retaken:

[For text of items A to D, see M.R.]

E. Certified interior designer reexamination:

- (1) identification and application, \$150;
- (2) problem solving, \$75;
- (3) building and barrier free codes, \$75; and
- (4) practicums:
 - (a) programming, \$50;
 - (b) three-dimensional exercise, \$50; and
 - (c) project scenario, \$50.

[For text of subp 7, see M.R.]

1800.0800 PROOF OF QUALIFICATION TO PRACTICE.

It is required that the applicant submit evidence to the board indicating that the applicant is qualified to practice in the profession or field of major practice thereof, in which she or he seeks registration. The burden of proof is upon the applicant who should therefore make every effort to present qualifications fully and clearly. Qualifications shall be established by one or more of the following methods:

[For text of items A to G, see M.R.]

H. for registration by comity as a land surveyor or an applicant shall be subject to the provisions of *Minnesota Statutes*, section 326.10, subdivision 1, paragraph 2. In addition thereto, the applicant shall be required to take such examinations as the board deems necessary to determine qualifications, but in any event the applicant shall be required to take a written orientation examination of not less than four hours duration; or

I. for certification by comity as a certified interior designer under *Minnesota Statutes*, section 326.10, subdivision 1, paragraph 2. The applicant shall meet the certification requirements that were in effect in Minnesota at the time of the applicant's original licensure or certification in the other state, territory, or the District of Columbia. Applicants who were certified in other states prior to August 1, 1992, shall meet the requirements of part 1800.2100.

1800.2100 EDUCATION AND EXPERIENCE.

Subpart 1. Written examination requirement. An applicant for certification as a certified interior designer shall pass a written examination prepared by the National Council for Interior Design Qualification (NCIDO) except that a written examination is not required of an applicant certified under part 1800.0800, item I, or 1800.2300.

Subp. 2. Admission to written examination. To qualify for admission to the written examination, an applicant shall present evidence that the applicant has obtained at least six qualifying credits for education and experience as provided in subpart 3.

Subp. 3. Qualifying credits for education. Qualifying credits for education shall be granted according to items A to E.

For purposes of this subpart, "equivalent education" means education which the board, after review of an applicant's transcript and other educational materials, finds to be substantially the same in terms of the mix and content of classes taken by the applicant as a curriculum accredited by the Foundation for Interior Design Education Research (FIDER).

A. An applicant who has graduated from a four- or five-year bachelor of interior design curriculum accredited by FIDER or has an equivalent education shall receive four credits.

B. An applicant who has graduated from a two-year associate in interior design curriculum accredited by FIDER or has an equivalent education shall receive two credits.

C. An applicant holding a professional degree from a curriculum in architecture accredited by the National Architectural Accrediting Board or has an equivalent education shall receive a maximum of four credits.

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D. For nongraduates, each year of equivalent design education successfully completed at the college level shall receive one full credit. A maximum of four credits for education shall be granted.

E. With respect to an applicant who does not hold a degree described in items A to C, college or university level education shall be evaluated in the same manner as if the applicant were entering the bachelor of interior design curriculum as defined by FIDER. Each year of credit granted pursuant to that standard entitles the applicant to one qualifying credit. Thirty-two semester credit hours or 48 quarter credit hours is considered to be one year. Fractions of one year of education shall be given credit in the amount earned.

F. An applicant who holds a degree or has completed coursework from a foreign college or university shall be granted credit on the same basis as a graduate or student of a United States college or university if the degree or education obtained is equivalent to a requirement in items A to E. The board may require an evaluation of foreign education by an independent evaluator to be provided by the applicant where the transcript and other data provided by the applicant is not clear and the evaluation would assist in determining whether the applicant's foreign education is equivalent to the requirements in items A to E. Candidates whose final official transcript showing the date and degree awarded is not available by the date of examination shall submit a certified letter by the registrar of the college or university stating the date the qualifying degree was awarded. No examination scores shall be released or certification awarded until the final official transcript is submitted to the board office.

Subp. 4. Qualifying credits for experience. Qualifying credits for experience shall be granted as follows:

A. one qualifying credit shall be granted for each year of experience under the direct supervision of a certified interior designer, interior designer, or licensed architect. This does not apply to those individuals granted certification under part 1800.2300; and

B. experience shall be diversified in the practice of interior design for public spaces and comprised of no less than seven of the following subjects:

- (1) space planning;
- (2) code research and analysis;
- (3) client contact;
- (4) programming;
- (5) schematic design and design development;
- (6) preparation of construction documents;
- (7) cost estimating;
- (8) selection of materials and furnishings;
- (9) contract documents;
- (10) bidding procedures; and
- (11) construction observation.

1800.2200 PROCEDURES.

Subpart 1. Written examinations. The written examination shall be the examination as provided by the National Council for Interior Designer Qualifications.

Subp. 2. Admission to examination. An applicant shall be admitted to the examination, if, by the date of the examination, the applicant has completed the education and experience requirements in part 1800.2100. The applicant shall submit verification of completion of the experience requirements in part 1800.2100 to the board before the applicant is permitted to sit for the examination.

Subp. 3. Admission for certification examination. Applicants shall submit to the board a completed application, the fee in part 1800.0500, subpart 5, a final official transcript showing the date of award of the degree earned, and a list of experience no later than 90 days before the first day of the examination. The application shall be submitted on a form provided by the board and shall include a detailed listing of all interior design related experience gained as provided in part 1800.2100. The list of experience shall include the name and mailing address of the applicant's supervising interior designer or other supervisors for each period of employment. The application shall include the applicant's acknowledgment that the applicant has read, understands, and shall abide by the rules of professional conduct, parts 1805.0100 to 1805.1600.

1800.2300 QUALIFICATION FOR CERTIFICATION BASED ON LONG EXPERIENCE.

Subpart 1. Applicants who have passed national examination. The board shall, with reference to applications for certification received before September 1, 1993, issue certifications as interior designers without further examination to those applicants having

six years of combined interior design education and experience and who have provided proof of passage of the National Council of Interior Design Qualifications examination. Applications shall be made on forms provided by the board.

Subp. 2. Applicants who have not passed national examination. Persons who apply for certification before September 1, 1993, who have not passed the National Council of Interior Design Qualifications examination, and have ten or more years of combined education and experience shall provide evidence of completion of the experience requirement. Evidence shall consist of two examples of interior design projects demonstrating experience as specified in part 1800.2100, subpart 4, item A.

Subp. 3. Applicants licensed as architects. Persons licensed as architects in Minnesota who seek certification as interior designers shall submit an application to the board together with the required fee and shall be certified with no further requirements.

1800.4100 CERTIFICATE OF REGISTRATION.

The board shall issue to each applicant who has successfully completed the fundamentals of engineering examination, unless the fundamentals of engineering examination is waived as stated under part 1800.2800, applying only in the case of engineer applicants, or land surveyor-in-training examination, or has been certified as a landscape architect-in-training, or has successfully completed the professional practice examination, a certificate of registration properly filled out, signed, and sealed, giving the licensee proper authority to practice the profession of architecture, professional engineering, land surveying, or landscape architecture under the Registration Act of the state of Minnesota for a period ending June 30 of the even-numbered year of the biennium in which the certificate is issued after which date the certificate will expire unless renewed. Applicants who are registered by comity from other states, having met the Minnesota registration requirements, shall be issued certificates of registration in the same manner as provided in this rule part.

The board shall issue to each applicant who has successfully completed the requirements of part 1800.2100 and has successfully completed the National Council of Interior Design Qualifications examination a certificate authorizing the certificate holder to use the title "Certified Interior Designer." This certificate shall be in effect for a period ending June 30 of the even-numbered year of the biennium in which the certificate is issued, after which the certificate shall expire unless renewed. A person whose certificate expires shall not use the title "Certified Interior Designer" until a certificate is reissued. Applicants who are certified by comity under part 1800.0800 shall be issued certificates as provided in this part.

1800.4200 CERTIFICATION AND SIGNATURE ON PLANS.

[For text of subs 1 to 3, see M.R.]

Subp. 4. **Language.** The following wording shall be incorporated in the certification:

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Registered Architect under the laws of the state of Minnesota.

Date _____ Reg. No. _____

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the state of Minnesota.

Date _____ Reg. No. _____

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the state of Minnesota.

Date _____ Reg. No. _____

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Certified Interior Designer under the laws of the state of Minnesota.

Date _____ Reg. No. _____

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Proposed Rules

Department of Human Services

Proposed Permanent Rules Relating to Minnesota Family Investment Program

Dual Notice: Notice of Intent to Adopt a Rule Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing are Received

Introduction. The Minnesota Department of Human Services intends to adopt a permanent rule without a public hearing following the procedures set forth in the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28. If, however, 25 or more persons submit a written request for a hearing on the rule within 30 days or by Monday, February 28, 1994 4:30 p.m., a public hearing will be held on Friday, March 11, 1994 9:30 a.m. To find out whether the rule will be adopted without a hearing or if the hearing will be held, you should contact the agency contact person after February 28, 1994 and before March 11, 1994.

Agency Contact Person. Comments or questions on the rule and written requests for a public hearing on the rule must be submitted to:

Robert Klukas
Minnesota Department of Human Services
Rules Division
444 Lafayette Road
Saint Paul, Minnesota 55155-3816
(612) 296-2794
Fax (612) 297-3173

Subject of Rule and Statutory Authority. The proposed rule is about a five year long welfare reform demonstration project which consolidates the AFDC, food stamp, and family general assistance programs into a program with one set of rules. This program will be available in only Anoka, Hennepin, Dakota, Mille Lacs, Morrison, Sherburne, and Todd counties. The statutory authority to adopt the rule is *Minnesota Statutes*, sections 256.031, subdivision 3 and 256.01, subdivision 2 and 4. *Minnesota Statutes*, sections 256.031 to 256.0361 establish the Minnesota Family Investment Plan (MFIP). Under *Laws of Minnesota* 1991, chapter 292, article 5, section 85, subdivision 1 and *Laws of Minnesota* 1992, chapter 513, article 8, section 58, the Commissioner is directed to implement the MFIP field trials. A copy of the proposed rule is published in the *State Register* and attached to this notice as mailed.

Copy of the Rule. A free copy of this rule is available upon request from the agency contact person listed above. A copy of the proposed rule may also be viewed at any of the county welfare or human service agencies in the State of Minnesota.

Comments. You have until 4:30 p.m. on February 28, 1994 to submit written comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Your comment must be in writing and received by the agency contact person by the due date. Comment is encouraged. Your comments should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Request for a Hearing. In addition to submitting comments, you may also request that a hearing be held on the rule. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m. on February 28, 1994. Your written request for a public hearing must include your name, address and telephone number. You are encouraged to identify the portion of the proposed rule which caused your request, the reason for the request, and any changes you want made to the proposed rule. If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraw their requests in writing.

Modifications. The proposed rule may be modified, either as a result of public comment or as a result of the rule hearing process. Modifications must not result in a substantial change in the proposed rule as attached and printed in the *State Register* and must be supported by data and views submitted to the agency or presented at the hearing. If the proposed rule affects you in any way, you are encouraged to participate in the rulemaking process.

Cancellation of Hearing. The hearing scheduled for March 11, 1994 will be canceled if the agency does not receive requests from 25 or more persons that a hearing be held on the rule. If you requested a public hearing, the agency will notify you before the scheduled hearing whether or not the hearing will be held. You may also call Robert Klukas at (612) 296-2794 after February 28, 1994 to find out whether the hearing will be held.

Notice of Hearing. If 25 or more persons submit written requests for a public hearing on the rule, a hearing will be held following the procedures in *Minnesota Statutes*, sections 14.14 to 14.20. The hearing will be held on March 11, 1994 in Rooms 1A and 1B of the Department of Human Services Building, 444 Lafayette Road, Saint Paul, Minnesota beginning at 9:30 a.m. and will continue until all interested persons have been heard. The hearing will continue, if necessary, at additional times and places as determined during the hearing by the administrative law judge. The administrative law judge assigned to conduct the hearing is

Administrative Law Judge Steve Mihalchick. Judge Mihalchick can be reached at the Office of Administrative Hearings, 100 Washington Square, 100 Washington Ave. South, #1700, Minneapolis, Minnesota 55401-2138; telephone (612) 349-2544.

Hearing Procedure. If a hearing is held, you and all interested or affected persons including representatives of associations or other interested groups, will have an opportunity to participate. You may present your views either orally at the hearing or in writing at any time prior to the close of the hearing record. All evidence presented should relate to the proposed rule. You may also mail written material to the administrative law judge to be recorded in the hearing record for five working days after the public hearing ends. This five-day comment period may be extended for a longer period not to exceed 20 calendar days if ordered by the administrative law judge at the hearing. Comments received during this period will be available for review at the Office of Administrative Hearings. You and the agency may respond in writing within five business days after the submission period ends to any new information submitted. All written materials and responses submitted to the administrative law judge must be received at the Office of Administrative Hearing no later than 4:30 p.m. on the due date. No additional evidence may be submitted during the five-day period. This rule hearing procedure is governed by *Minnesota Rules*, parts 1400.0200 to 1400.1200 and *Minnesota Statutes*, sections 14.14 to 14.20. Questions about procedure may be directed to the administrative law judge.

Statement of Need and Reasonableness. A Statement of Need and Reasonableness is now available from the agency contact person. This statement describes the need for and reasonableness of each provision of the proposed rule. It also includes a summary of all the evidence and argument which the agency anticipates presenting at the hearing, if one is held. The statement may also be reviewed and copies obtained at the cost of reproduction from the Office of Administrative Hearings.

Small Business Considerations. *Minnesota Statutes*, section 14.115 requires state agencies, when proposing a new rule or an amendment to an existing rule, to consider ways of reducing the impact of the rule on small businesses unless exempt under *Minnesota Statutes*, section 14.115, subdivision 7.

The proposed rule is exempt from the small business consideration requirement under *Minnesota Statutes*, section 14.115, subdivision 7, clause 2. Under clause 2 the small business consideration requirement does not apply to agency rules that do not affect small businesses directly, including, but not limited to, rules relating to county or municipal administration of state and federal programs.

The MFIP rule relates to county administration of state and federal programs. MFIP is a welfare reform demonstration project that combines AFDC, family general assistance, and food stamps programs. MFIP is not a statewide project; the project is limited to the seven field trial counties identified in the rule.

Expenditure of Public Money by Local Public Bodies. *Minnesota Statutes*, section 14.11, requires agencies, when proposing a new rule or an amendment to an existing rule, to note the total cost required for local bodies to implement the rule for the next two years following the adoption of the rule. The rule will not require the expenditure of public money by local public bodies. New costs to local governments associated with the implementation of this rule are reimbursed by the state and are noted in the Fiscal Note for this rule. A copy of the Fiscal note for this rule is available from Robert Klukas at the address and phone number listed above.

Impact on Agriculture Lands. *Minnesota Statutes*, section 14.11, subdivision 2 requires agencies proposing rules that have a direct and substantial adverse impact on agricultural land to comply with additional statutory requirements. The proposed rule does not impact agricultural land and, therefore, the additional statutory provisions do not apply.

Lobbyist Registration. *Minnesota Statutes*, chapter 10A requires each lobbyist to register with the Ethical Practices Board. Questions regarding this requirement may be directed to the Ethical Practices Board at 1st Floor, Centennial Office Building, 658 Cedar Street, Saint Paul, Minnesota 55155; telephone (612) 296-5148.

Adoption Procedure if No Hearing. If no hearing is required, after the end of the comment period the agency may adopt the rule. The rule and supporting documents will then be submitted to the Attorney General for review as to legality and form to the extent form relates to legality. You may request to be notified of the date the rule is submitted to the Attorney General or be notified of the Attorney General's decision on the rule. If you want to be so notified, or wish to receive a copy of the adopted rule, submit your request to Robert Klukas at the address listed above.

Adoption Procedure After the Hearing. If a hearing is held, after the close of the hearing record, the administrative law judge will issue a report on the proposed rule. You may request to be notified of the date on which the administrative law judge's report will be available, after which date the agency may not take any final action on the rule for a period of five working days. If you

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want to be notified about the report, you may so indicate at the hearing. After the hearing, you may request notification by sending a written request to the administrative law judge. You may also request notification of the date on which the rule is adopted and filed with the Secretary of State. The agency's notice of adoption must be mailed on the same day that the rule is filed. If you want to be notified of the adoption, you may so indicate at the hearing or send a request in writing to the agency contact person at any time prior to the filing of the rule with the Secretary of State.

Maria Gomez
Commissioner

Rules as Proposed (all new material)

9500.4000 SCOPE AND APPLICABILITY.

Subpart 1. **Scope.** Parts 9500.4000 to 9500.4340 establish standards that govern the responsibilities of the Department of Human Services and local agencies in the administration of the Minnesota Family Investment Program (MFIP) and the rights and responsibilities of participants under the Minnesota Family Investment Program.

Subp. 2. **Applicability, field trial counties.** Parts 9500.4000 to 9500.4340 apply to the MFIP field trial beginning April 1, 1994, in Anoka, Dakota, Hennepin, Mille Lacs, Morrison, Sherburne, and Todd counties.

9500.4010 MFIP SELECTION.

Assistance units in the field trial counties assigned to the MFIP participation group must be randomly selected from the pool of applicants and recipients of AFDC, family general assistance, and food stamps. After an assistance unit is assigned to the MFIP participation group, the assistance unit will remain in the MFIP participation group for the duration of the field trial. Assistance units in the MFIP participation group will receive MFIP assistance as long as the assistance unit remains eligible for assistance. If, after a period of ineligibility, an assistance unit that was previously assigned to the MFIP participation group reapplies for assistance in an MFIP field trial county and is found eligible, the assistance unit must be assigned to participate in MFIP. Some assistance units selected to the MFIP participation group will be randomly assigned a special status and will not receive case management services under *Minnesota Statutes*, section 256.035, subdivision 6a. Assistance units who do not receive case management services under *Minnesota Statutes*, section 256.035, subdivision 6a, are eligible for services under *Minnesota Statutes*, section 256.736, to the same extent as families receiving AFDC. Assistance units assigned a special status are entitled to child care if child care is needed to enable the participants to work.

For purposes of MFIP evaluation, some assistance units in the field trial counties receiving or applying for AFDC, family general assistance, or food stamps will be randomly assigned to a comparison group. After an assistance unit is assigned to a comparison group, the assistance unit will remain in the comparison group for the duration of the field trial. Assistance units in a comparison group will receive assistance under AFDC, family general assistance, or food stamps, as long as the assistance unit remains eligible for assistance. If, after a period of ineligibility, an assistance unit that was previously assigned to a comparison group reapplies for assistance and is found eligible, the assistance unit shall receive assistance under the AFDC, family general assistance, or food stamps programs.

Assignment to MFIP, a special status within MFIP, or a comparison group is not subject to appeal under *Minnesota Statutes*, section 256.045.

9500.4020 PROGRAM DEFINITIONS.

Subpart 1. **Scope.** As used in parts 9500.4000 to 9500.4340, the following terms have the meanings given them.

Subp. 2. **Absent parent.** "Absent parent" means a minor child's parent who does not live in the child's home.

Subp. 3. **ACCESS program.** "ACCESS program" means the AFDC child care program under *Minnesota Statutes*, section 256H.05, subdivision 6.

Subp. 4. **Agency error.** "Agency error" means an error that results in an overpayment or underpayment to an assistance unit and is not caused by an applicant's or participant's failure to provide adequate, correct, or timely information about income, property, household composition, or other circumstances.

Subp. 5. **Aid to families with dependent children or AFDC.** "Aid to families with dependent children" or "AFDC" means the program authorized under title IV-A of the Social Security Act to provide financial assistance and social services to needy families with dependent children.

Subp. 6. **Appeal.** "Appeal" means a written statement from an applicant or participant who requests a hearing under part 9500.4250 and *Minnesota Statutes*, section 256.045.

Subp. 7. **Applicant.** "Applicant" means a person who has submitted to a local agency an application for assistance for AFDC, family general assistance, or food stamps and whose application has not been acted upon, denied, or voluntarily withdrawn.

Subp. 8. **Application.** "Application" means the submission by or on behalf of a family to the local agency of a completed, signed, and dated form, prescribed by the commissioner, that indicates a desire to receive assistance.

Subp. 9. **Assignment of support.** "Assignment of support" means the transfer of a person's right to child support, private health care benefits, and spousal maintenance benefits to the local agency.

Subp. 10. **Assistance unit or MFIP assistance unit.** "Assistance unit" or "MFIP assistance unit" means a group of mandatory and optional people receiving or applying for MFIP benefits together.

Subp. 11. **Authorized representative.** "Authorized representative" means a person who is authorized, in writing, by an applicant or participant to act on the applicant's or participant's behalf in matters involving the application for assistance or participation in MFIP.

Subp. 12. **Basic needs.** "Basic needs" means the minimum personal requirements of subsistence and is restricted to food, clothing, shelter, utilities, and other items of which the loss, or lack of, is determined by the local agency to pose a direct, immediate threat to the physical health or safety of the applicant or participant.

Subp. 13. **Budget month.** "Budget month" means the calendar month which the local agency uses to determine the income or circumstances of an assistance unit to calculate the amount of the assistance payment in the payment month.

Subp. 14. **Caregiver.** "Caregiver" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 2.

Subp. 15. **Case management.** "Case management" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 3.

Subp. 16. **Child support pass-through.** "Child support pass-through" means the first \$50 of any support payment made by an absent parent in the month when due that is disregarded in determining the eligibility and amount of the assistance payment for a participant.

Subp. 17. **Client error.** "Client error" means an error that results in an overpayment or underpayment and is due to an applicant's or participant's failure to provide adequate, correct, or timely information concerning income, property, household composition, or other circumstances.

Subp. 18. **Collateral contacts.** "Collateral contacts" means confirmation of an assistance unit's circumstances by a person outside the assistance unit.

Subp. 19. **Commissioner.** "Commissioner" means the commissioner of the Department of Human Services or the commissioner's designated representative.

Subp. 20. **Conciliation conference.** "Conciliation conference" means a meeting conducted by a mediator that seeks to achieve mutual agreement between the caregiver and the case manager.

Subp. 21. **Corrective payment.** "Corrective payment" means an assistance payment that is made to correct an underpayment.

Subp. 22. **Countable income.** "Countable income" means earned and unearned income that is not excluded under part 9500.4080 or disregarded under part 9500.4150.

Subp. 23. **Counted earnings.** "Counted earnings" means the earned income that remains after applicable disregards under part 9500.4150 have been subtracted from gross earned income.

Subp. 24. **County board.** "County board" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 5b.

Subp. 25. **County of financial responsibility.** "County of financial responsibility" means the county that has financial responsibility for providing public assistance as specified in *Minnesota Statutes*, chapter 256G.

Subp. 26. **County of residence.** "County of residence" means the county where the caregiver has established a home.

Subp. 27. **Date of application.** "Date of application" means the date on which the local agency receives an applicant's signed application.

Subp. 28. **Deem.** "Deem" means to treat all or part of the income of an individual who is not in the assistance unit, but who is financially responsible for members of the assistance unit, as if it were income available to the assistance unit.

Subp. 29. **Department.** "Department" means the Minnesota Department of Human Services.

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Subp. 30. **Disregard.** "Disregard" means earned income that is not counted when determining initial eligibility or ongoing eligibility and calculating the amount of the assistance payment for participants.

Subp. 31. **Documentation.** "Documentation" means a written statement or record that substantiates or validates an assertion made by a person or an action taken by a person, agency, or entity.

Subp. 32. **Earned income.** "Earned income" means cash or in-kind income earned through the receipt of wages, salary, commissions, profit from employment activities, net profit from self-employment activities, payments made by an employer for regularly accrued vacation or sick leave, and any other profit from activity earned through effort or labor.

Subp. 33. **Earned income credit.** "Earned income credit" means the payment which can be obtained by a qualified person from an employer or from the Internal Revenue Service as provided by *United States Code*, title 26, subtitle A, chapter 1, subchapter A, part 4, section 32, and *Minnesota Statutes*, section 290.0671.

Subp. 34. **Emergency.** "Emergency" means a situation that causes or threatens to cause a lack of a basic need item when there are insufficient resources to provide for that need.

Subp. 35. **Employability plan.** "Employability plan" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 6a.

Subp. 36. **Encumbrance.** "Encumbrance" means a legal claim against real or personal property that is payable upon the sale of that property.

Subp. 37. **Equity value.** "Equity value" means the amount of equity in real or personal property owned by a person and is determined by subtracting any outstanding encumbrances from the fair market value.

Subp. 38. **Excluded time.** "Excluded time" has the meaning given it in *Minnesota Statutes*, section 256G.02, subdivision 6.

Subp. 39. **Excluded time facility.** "Excluded time facility" means any hospital, sanitarium, nursing home, shelter, halfway house, foster home, semi-independent living domicile or services program, residential facility offering care, board and lodging facility, or other institution for the hospitalization or care of human beings, as defined in *Minnesota Statutes*, sections 144.50, 144A.01, or 245A.02, subdivision 14; or a maternity home, battered women's shelter, or correctional facility.

Subp. 40. **Expedited issuance of food stamps assistance.** "Expedited issuance of food stamps assistance" means the issuance of food stamps assistance to eligible assistance units on the day of application as provided in *Minnesota Statutes*, section 393.07, subdivision 10a.

Subp. 41. **Fair hearing or hearing.** "Fair hearing" or "hearing" means the evidentiary hearing conducted by the department appeals referee to resolve disputes as specified in *Minnesota Statutes*, section 256.045.

Subp. 42. **Fair market value.** "Fair market value" means the price that an item of a particular make, model, size, material, or condition would sell for on the open market in the particular geographic area.

Subp. 43. **Family.** "Family" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 7.

Subp. 44. **Family support agreement.** "Family support agreement" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 7a.

Subp. 45. **Family wage level.** "Family wage level" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 8.

Subp. 46. **Federal Insurance Contribution Act or FICA.** "Federal Insurance Contribution Act" or "FICA" means the federal law under *United States Code*, title 26, subtitle C, chapter 21, subchapter A, sections 3101 to 3126, that requires withholding or direct payment from earned income.

Subp. 47. **Financial case record.** "Financial case record" means an assistance unit's financial eligibility file.

Subp. 48. **Financially responsible household members.** "Financially responsible household members" means spouses, parents of minor children and minor caregivers, and stepparents of minor children to the extent authorized by federal and state law.

Subp. 49. **Full-time student.** "Full-time student" means a person who is enrolled in a graded or ungraded primary, intermediate, secondary, GED preparatory, trade, technical, vocational, or postsecondary school, and who meets the school's standard for full-time attendance.

Subp. 50. **General educational development or GED.** "General educational development" or "GED" means the general educational development certification issued by the Minnesota Board of Education as an equivalent to a secondary school diploma under part 3500.3100, subpart 4.

Subp. 51. **Gross earned income.** "Gross earned income" means earned income from employment before mandatory and voluntary payroll deductions. Gross earned income includes salaries, wages, tips, gratuities, commissions, incentive payments from work

or training programs, payments made by an employer for regularly accrued vacation or sick leave, and profits from other activity earned by an individual's effort or labor. Gross earned income includes uniform and meal allowances if federal income tax is deducted from the allowance. Gross earned income includes flexible work benefits received from an employer if the employee has the option of receiving the benefit or benefits in cash.

Subp. 52. **Gross income.** "Gross income" is the sum of gross earned income and unearned income.

Subp. 53. **Gross receipts.** "Gross receipts" means the money received by a business before the expenses of the business are deducted.

Subp. 54. **Half-time student.** "Half-time student" means a person who is enrolled in a graded or ungraded primary, intermediate, secondary, GED preparatory, trade, technical, vocational, or postsecondary school, and who meets the school's standard of half-time attendance.

Subp. 55. **Home.** "Home" means the primary place of residence used by a person as the base for day to day living and does not include locations used as mail drops.

Subp. 56. **Homeless individual.** "Homeless individual" means an individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

- A. a supervised shelter designed to provide temporary accommodations such as a welfare hotel or congregate shelter;
- B. a halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;
- C. a temporary accommodation in the residence of another individual; or

D. a place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings such as a hallway, lobby, bus station, or under highway bridges and overpasses.

Subp. 57. **Homestead.** "Homestead" means the home that is owned by, and is the usual residence of, the assistance unit together with the surrounding property which is not separated from the home by intervening property owned by others. Public rights-of-way, such as roads which run through the surrounding property and separate it from the home, do not affect the exemption of the property. Homestead includes an asset that is not real property that the assistance unit uses as a home, such as a vehicle.

Subp. 58. **Household.** "Household" means a group of persons who live together.

Subp. 59. **Income.** "Income" means cash or in-kind benefit, whether earned or unearned, received by or available to an applicant or participant that is not an asset under part 9500.4070.

Subp. 60. **Initial eligibility.** "Initial eligibility" means the determination of eligibility for an applicant who has been randomly selected to participate in MFIP.

Subp. 61. **Initial income test.** "Initial income test" means the test used to determine initial eligibility which compares countable income to the transitional standard as specified in part 9500.4080, subpart 3.

Subp. 62. **In-kind income.** "In-kind income" means income, benefits, or payments which are provided in a form other than money or liquid assets, including the forms of goods, produce, services, privileges, or payments made on behalf of an applicant or participant by a third party.

Subp. 63. **Inquiry.** "Inquiry" means a communication to a local agency through mail, telephone, or in person, by which a person or authorized representative requests information about public assistance. The local agency shall also treat as an inquiry any communication in which a person requesting assistance offers information about the person's family circumstances that indicates that eligibility for public assistance may exist.

Subp. 64. **Legally available.** "Legally available" means a person's right under the law to secure, possess, dispose of, or control income or property.

Subp. 65. **Local agency.** "Local agency" means a county or multicounty agency that is authorized under *Minnesota Statutes*, sections 393.01, subdivision 7, and 393.07, subdivision 2, to administer MFIP.

Subp. 66. **Low-income home energy assistance program or LIHEAP.** "Low-income home energy assistance program" or "LIHEAP" means the program authorized under *United States Code*, title 42, chapter 94, subchapter II, sections 8621 to 8629, and administered by the Minnesota Department of Jobs and Training.

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Subp. 67. **Lump sum.** "Lump sum" means nonrecurring income that is not excluded in part 9500.4080.

Subp. 68. **Maximum shelter deduction.** "Maximum shelter deduction" means the amount designated by the United States Department of Agriculture under *Code of Federal Regulations*, title 7, subtitle B, chapter II, subchapter C, part 273, section 273.9, paragraph (d)(8), as the maximum deduction from income allowed for shelter costs when calculating food stamp benefits.

Subp. 69. **Medical assistance.** "Medical assistance" means the program established under title XIX of the Social Security Act and *Minnesota Statutes*, chapter 256B.

Subp. 70. **MFIP household report form.** "MFIP household report form" means a form prescribed by the commissioner that a participant uses to report information to a local agency about income and other circumstances as specified in part 9500.4280.

Subp. 71. **Minnesota family investment plan or Minnesota family investment program or MFIP.** "Minnesota family investment plan" or "Minnesota family investment program" or "MFIP" means the assistance program authorized in *Minnesota Statutes*, sections 256.031 to 256.0361.

Subp. 72. **Minnesota supplemental aid or MSA.** "Minnesota supplemental aid" or "MSA" means the program established under *Minnesota Statutes*, sections 256D.35 to 256D.54.

Subp. 73. **Minor caregiver.** "Minor caregiver" means a person who:

- A. is under the age of 18; and
- B. has applied or receives assistance for himself or herself and his or her minor child.

Subp. 74. **Minor child.** "Minor child" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 8a.

Subp. 75. **Monthly income test.** "Monthly income test" means the test used to determine ongoing eligibility and the assistance payment amount as specified in part 9500.4080, subpart 4.

Subp. 76. **Nonrecurring income.** "Nonrecurring income" means a form of income which:

- A. is received only one time or is not of a continuous nature; or
- B. is received in a prospective payment month but is no longer received in the corresponding retrospective payment month.

Subp. 77. **Overpayment.** "Overpayment" means the portion of an assistance payment issued by the local agency that is greater than the amount for which the assistance unit is eligible.

Subp. 78. **Parent.** "Parent" means a child's biological or adoptive parent who is legally obligated to support that child.

Subp. 79. **Participant.** "Participant" means a person receiving benefits through MFIP, and includes the caregiver and all members of the assistance unit.

Subp. 80. **Payee.** "Payee" means a person to whom an assistance payment is made payable.

Subp. 81. **Payment month.** "Payment month" means the calendar month for which the assistance payment is paid.

Subp. 82. **Personal property.** "Personal property" means an item of value that is not real property, including the value of a contract for deed held by a seller, assets held in trust on behalf of members of an assistance unit, cash surrender value of life insurance, value of a prepaid burial, savings account, value of stocks and bonds, and value of retirement accounts.

Subp. 83. **Probable fraud.** "Probable fraud" means the level of evidence that, if proven as fact, would establish that assistance has been wrongfully obtained.

Subp. 84. **Project STRIDE.** "Project STRIDE" means the AFDC employment and training program under *Minnesota Statutes*, section 256.736.

Subp. 85. **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.

Subp. 86. **Protective payee.** "Protective payee" means a person other than the caregiver of an assistance unit who receives the monthly assistance payment on behalf of an assistance unit and is responsible to provide for the basic needs of the assistance unit to the extent of that payment.

Subp. 87. **Real property.** "Real property" means land and all buildings, structures, and improvements, or other fixtures on the land, belonging or appertaining to the land, and all mines, minerals, fossils, and trees on or under the land.

Subp. 88. **Reasonable compensation.** "Reasonable compensation" means the value received in exchange for property transferred to another owner that is consistent with fair market value and equals or exceeds the seller's equity in the property, reduced by costs incurred in the sale.

Subp. 89. **Recertification.** "Recertification" means the periodic review of eligibility factors to determine an assistance unit's continued eligibility.

Subp. 90. **Recoupment.** "Recoupment" means the action of the local agency to reduce a family's monthly assistance payment to recover overpayments caused by client error and overpayments received while an appeal is pending.

Subp. 91. **Recovery.** "Recovery" means actions taken by a local agency to reclaim the value of overpayments through voluntary repayment, recoupment from the assistance payment, or court action.

Subp. 92. **Recurring income.** "Recurring income" means a form of income which is:

A. received periodically, and may be received irregularly when receipt can be anticipated even though the date of receipt cannot be predicted; and

B. 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.

Subp. 93. **Retrospective budgeting.** "Retrospective budgeting" means a method of determining the amount of the assistance payment in which the payment month is the second month after the budget month.

Subp. 94. **Sanction.** "Sanction" means the reduction of a family's assistance payment by ten percent of the applicable transitional standard because the nonexempt parental caregiver fails to develop or comply with the terms of the family support agreement or to cooperate with child support enforcement, cost effective insurance, or tort liability.

Subp. 95. **Secondary school.** "Secondary school" means a school that is accredited by the Minnesota Department of Education as a secondary school under *Minnesota Statutes*, section 120.05, subdivision 2, or equivalent level technical institute or an educational program that provides a GED.

Subp. 96. **Significant change.** "Significant change" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 11.

Subp. 97. **Suitable employment.** "Suitable employment" has the meaning given it in *Minnesota Statutes*, section 256.736, subdivision 1a, paragraph (h).

Subp. 98. **Supplemental Security Income or SSI.** "Supplemental Security Income" or "SSI" means the program authorized under title XVI of the Social Security Act.

Subp. 99. **Title IV-A of the Social Security Act.** "Title IV-A of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter IV, part A, sections 601 to 617.

Subp. 100. **Title IV-D of the Social Security Act.** "Title IV-D of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter IV, part D, sections 651 to 669.

Subp. 101. **Title IV-E of the Social Security Act.** "Title IV-E of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter IV, part E, sections 670 to 679a.

Subp. 102. **Title XVI of the Social Security Act.** "Title XVI of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter XVI, sections 1381 to 1383d.

Subp. 103. **Title XIX of the Social Security Act.** "Title XIX of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter XIX, sections 1396 to 1396u.

Subp. 104. **Title XX of the Social Security Act.** "Title XX of the Social Security Act" means *United States Code*, title 42, chapter 7, subchapter XX, sections 1397 to 1397f.

Subp. 105. **Transitional standard.** "Transitional standard" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 13.

Subp. 106. **Transitional status.** "Transitional status" has the meaning given it in *Minnesota Statutes*, section 256.032, subdivision 12.

Subp. 107. **Unearned income.** "Unearned income" means income received by a person that does not meet the definition of earned income. Unearned income includes income from a contract for deed, interest, dividends, unemployment compensation, disability insurance payments, veterans benefits, pension payments, return on capital investment, insurance payments or settlements,

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severance payments, and payments for illness or disability whether the premium payments are made in whole or in part by an employer or participant.

Subp. 108. **Unemployment compensation.** "Unemployment compensation" means the insurance benefit paid to an unemployed worker under *Minnesota Statutes*, sections 268.03 to 268.231.

Subp. 109. **Vendor.** "Vendor" means a provider of goods or services.

Subp. 110. **Vendor payment.** "Vendor payment" means a payment made by a local agency directly to a vendor.

Subp. 111. **Verification.** "Verification" means the process a local agency uses to establish the accuracy or completeness of information from an applicant, participant, third party, or other source as that information relates to program eligibility or an assistance payment.

Subp. 112. **Wrongfully obtaining assistance.** "Wrongfully obtaining assistance" means:

- A. to obtain or attempt to obtain assistance by means of a willfully false statement or representation;
- B. to conceal a material fact, to impersonate an applicant or participant, or to use another fraudulent device that results in receiving assistance to which a person is not entitled; or
- C. to knowingly aid or abet in buying or in any way disposing of the property of an applicant or participant in an attempt to defeat the purposes of *Minnesota Statutes*, sections 256.031 to 256.0361.

9500.4030 APPLICATION FOR ASSISTANCE.

Subpart 1. **Where to apply.** A person must apply for assistance at the local agency in the county where that person lives.

Subp. 2. **Local agency responsibility to provide information.** A local agency must inform a person who inquires about assistance about eligibility requirements for assistance and how to apply for assistance. A local agency must offer the person brochures developed or approved by the commissioner that describe how to apply for assistance.

Subp. 3. **Application form and accompanying advisory.** A local agency must offer, in person or by mail, the application forms prescribed by the commissioner as soon as a person makes a written or oral inquiry. At that time, the local agency must inform the person that, if the person is found eligible, assistance begins with the date the signed application is received by the local agency and that any delay in submitting the application will reduce the amount of assistance paid for the month of application. A local agency must inform a person that the person may submit the application before an interview appointment.

To apply for assistance, a person must submit a signed application to the local agency. Upon receipt of a signed application, the local agency must stamp the date of receipt on the face of the application. The local agency must process the application within the time period required under subpart 8.

An applicant may withdraw the application at any time by giving written or oral notice to the local agency. The local agency must issue a written notice confirming the withdrawal. The notice must inform the applicant of the local agency's understanding that the applicant has withdrawn the application and no longer wants to pursue it. When, within ten days of the date of the agency's notice, an applicant informs a local agency in writing that the applicant does not wish to withdraw the application, the local agency must reinstate the application and finish processing the application.

Subp. 4. **Assessment of and issuance for initial needs.** When a person inquires about assistance, a local agency must ask the person if immediate or emergency needs exist. When a person has emergency needs, the local agency must determine that person's eligibility for AFDC emergency assistance or emergency general assistance unless the person's needs can be met through other sources or by promptly processing an application for monthly assistance.

The local agency must also assess eligibility for expedited issuance of food stamp assistance which requires priority processing of applications as specified in subpart 5 to assure that expedited benefits are made available to applicants with emergency needs.

Subp. 5. **Expedited issuance of food stamp assistance.** The following households are entitled to expedited issuance of food stamp assistance:

- A. households with less than \$150 in monthly gross income provided their cash on hand, checking or savings accounts, saving certificates, and lump sum payments do not exceed \$100;
- B. migrant or seasonal farm worker households who are destitute as defined in *Code of Federal Regulations*, title 7, subtitle B, chapter II, subchapter C, part 273, section 273.10, paragraph (e)(3), provided their cash on hand, checking or savings accounts, savings certificates, and lump sum payments do not exceed \$100;
- C. eligible households in which all members are homeless individuals; and
- D. eligible households whose combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage and utilities.

When all verifications have been provided, the benefits issued through expedited issuance of food stamp assistance must be deducted from the amount of the full monthly MFIP assistance payment and a supplemental payment for the difference must be issued.

Subp. 6. Verification of information on application. A local agency must verify information provided by an applicant as specified in part 9500.4090.

Subp. 7. Participation in MFIP field trial. A person who applies for assistance in a field trial county and is randomly selected to participate in MFIP must meet the eligibility requirements in parts 9500.4050 to 9500.4080. A person who is not selected to participate in MFIP will have the application for assistance processed to determine eligibility for AFDC, family general assistance, and food stamps and, if eligible, will receive benefits and services through those programs.

Subp. 8. Processing application. Upon receiving an application, a local agency must determine the applicant's eligibility, approve or deny the application, inform the applicant of its decision according to part 9500.4290, subpart 3, and issue the assistance payment when the applicant is eligible. When a local agency is unable to process an application within 30 days, the local agency must inform the applicant of the reason in writing. When an applicant establishes the inability to provide required verification within the 30 day processing period, the local agency may not use the expiration of that period as the basis for denial.

Subp. 9. Invalid reason for delay. A local agency must not delay a decision on eligibility or delay issuing the assistance payment by:

- A. treating the 30-day processing period as a waiting period;
- B. delaying approval or issuance of the assistance payment pending the decision of the county board; or

C. awaiting the result of a referral to a local agency in another county when the county receiving the application does not believe it is the county of financial responsibility.

Subp. 10. Changes in residence during application. The requirements in subparts 8 and 9 apply without regard to the length of time that an applicant remains, or intends to remain, a resident of the county in which the application is made. When an applicant leaves the county where application was made but remains in the state, part 9500.4330 applies and the local agency may request additional information from the applicant about changes in circumstances related to the move. If an applicant in an MFIP county is selected to participate in MFIP and moves to another MFIP county, the applicant remains an MFIP applicant. If an applicant in an MFIP county is selected to participate in MFIP and moves to a non-MFIP county, the applicant is no longer an MFIP applicant and must be considered an applicant for aid to families with dependent children, family general assistance, and food stamps. If an applicant who is selected to participate in MFIP moves from a non-MFIP county to an MFIP county, the applicant must be considered for MFIP.

Subp. 11. Additional applications. Until a local agency issues notice of approval or denial, additional applications submitted by an applicant are void. However, an application for monthly assistance and an application for AFDC emergency assistance or emergency general assistance may exist concurrently. More than one application for monthly assistance, AFDC emergency assistance, or emergency general assistance may exist concurrently when the local agency decisions on one or more earlier applications have been appealed to the commissioner, and the applicant asserts that a change in circumstances has occurred that would allow eligibility.

A local agency must require additional application forms or supplemental forms as prescribed by the commissioner when a payee's name changes, or when a caregiver requests the addition of another person to the assistance unit.

Subp. 12. Addendum to an existing application. An addendum to an existing application may be used to add persons to an assistance unit regardless of whether the persons being added are required to be in the assistance unit. When a person is added by addendum to an assistance unit, eligibility for that person begins on the first of the month the addendum was filed except as provided in part 9500.4320, subpart 6, item B.

Subp. 13. Applicants who do not meet eligibility requirements for MFIP. When an applicant randomly assigned to MFIP is not eligible for MFIP because the applicant does not meet eligibility requirements, the local agency must determine whether the applicant is eligible for food stamps. If the applicant is eligible for food stamps, food stamps must be issued to the assistance unit as authorized under the food stamp program.

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Subp. 14. **Notice to applicant when not eligible for assistance.** When an applicant is not eligible for assistance, the local agency must deny the application and provide the applicant with notice as required in part 9500.4290, subpart 3.

9500.4040 CONVERSION OF AFDC, FAMILY GENERAL ASSISTANCE, AND FOOD STAMP RECIPIENTS TO MFIP.

Recipients of AFDC, family general assistance, and food stamps who are assigned to participate in MFIP must be randomly selected. The conversion to MFIP must be made at a time determined by the department. Recipients selected to participate in MFIP must be notified in writing of the change in programs, the advantages of MFIP over other assistance programs, the opportunity to attend an orientation meeting under part 9500.4210, and the date of conversion.

9500.4050 MFIP ELIGIBILITY REQUIREMENTS.

To be eligible for MFIP, applicants must meet the general eligibility requirements in part 9500.4060, the property limitations in part 9500.4070, and the income limitations in part 9500.4080.

9500.4060 GENERAL ELIGIBILITY REQUIREMENTS.

Subpart 1. **Citizenship.** To be eligible for MFIP, a member of the assistance unit must be a citizen of the United States, a noncitizen lawfully admitted to the United States for permanent residence, or a noncitizen otherwise permanently residing in the United States under color of law.

Subp. 2. **Minnesota residence.** To be eligible for MFIP, members of the assistance unit must be Minnesota residents. A person who enters Minnesota from another state and receives assistance from that state must not be considered a Minnesota resident until the last month in which that state issues an assistance payment. Minnesota residence is established according to items A to E.

A. A person who lives in Minnesota and who entered Minnesota with a job commitment or to seek employment in Minnesota, whether or not that person is currently employed, is considered a resident of Minnesota. Neither a length of prior residence nor an intent to remain in Minnesota is required.

B. A person who voluntarily enters Minnesota for a reason other than seeking employment, and who intends to remain in Minnesota, is a resident of Minnesota. No length of prior residence is required.

C. A person who lives in vehicles or other temporary places, including transient facilities, is a resident of Minnesota when that person is physically present in Minnesota on an ongoing basis and meets the requirements of item A or B.

D. A child placed in Minnesota by another state under *Minnesota Statutes*, section 257.40, or a juvenile who enters Minnesota from another state under *Minnesota Statutes*, section 260.51, shall not be considered a resident of Minnesota. A child placed in another state by Minnesota pursuant to *Minnesota Statutes*, section 257.40, or a juvenile who enters another state from Minnesota pursuant to *Minnesota Statutes*, section 260.51, shall maintain Minnesota residence.

E. Subitems (1) to (3) constitute loss of Minnesota residence for purposes of MFIP:

- (1) an absence from Minnesota for more than one month, except as allowed under subpart 4;
- (2) an absence involving either the establishment of a residence outside Minnesota or the abandonment of the Minnesota home; or
- (3) an assertion of residence in another state in order to receive assistance.

Subp. 3. **Minor child in assistance unit.** To be eligible for MFIP, an assistance unit must include at least one minor child or a pregnant woman in the third trimester of pregnancy. If a minor child is a recipient of SSI or MSA, the assistance unit is eligible for MFIP but the needs of the minor child receiving SSI or MSA must not be taken into account when the local agency determines the amount of the assistance payment to be paid to the assistance unit.

Subp. 4. **Physical presence.** To be eligible for MFIP, a minor child and a caregiver must live together except as provided in items A to C.

A. The physical presence requirement is met when a minor child is required to live away from the caregiver's home to meet the need for educational curricula that cannot be met by, but is approved by, the local public school district, the home is maintained for the minor child's return during periodic school vacations, and the caregiver continues to maintain responsibility for the support and care of the minor child.

B. The physical presence requirement is met when an applicant caregiver or applicant minor child is away from the home due to illness or hospitalization when the home is maintained for the return of the absent family member, the absence is not expected to last more than six months beyond the month of departure, and the conditions of subitem (1), (2), or (3) apply:

- (1) when the minor child and caregiver lived together immediately prior to the absence, the caregiver continues to maintain responsibility for the support and care of the minor child, and the absence is reported at the time of application;

- (2) when the pregnant mother is hospitalized or out of the home due to the pregnancy; or
- (3) when the newborn child and mother are hospitalized at the time of birth.

C. The absence of a caregiver or minor child does not affect eligibility for the month of departure when the caregiver or minor child received assistance for that month and lived together immediately prior to the absence. Eligibility also exists in the following month when the absence ends on or before the tenth day of that month. A temporary absence of a caregiver or a minor child which continues beyond the month of departure must not affect eligibility when the home is maintained for the return of the absent family member, the caregiver continues to maintain responsibility for the support and care of the minor child, and one of subitems (1) to (7) applies:

(1) a participant caregiver or participant child is absent due to illness or hospitalization, and the absence is expected to last no more than six months beyond the month of departure;

(2) a participant child is out of the home due to placement in foster care as defined in *Minnesota Statutes*, section 260.015, subdivision 7, when the placement will not be paid under title IV-E of the Social Security Act, and when the absence is expected to last no more than six months beyond the month of departure;

(3) a participant minor child is out of the home for a vacation, the vacation is not with an absent parent, and the absence is expected to last no more than two months beyond the month of departure;

(4) a participant minor child is out of the home due to a visit or vacation with an absent parent, the home of the minor child remains with the caregiver, the absence meets the conditions of subpart 5, item C, and the absence is expected to last no more than two months beyond the month of departure;

(5) a participant caregiver is out of the home due to a death or illness of a relative, incarceration, training, or employment search and suitable arrangements have been made for the care of the minor child, or a participant minor child is out of the home due to incarceration, and the absence is expected to last no more than two months beyond the month of departure;

(6) a participant caregiver and a participant minor child are both absent from Minnesota due to a situation described in subitem (5) or vacation, and the absence is expected to last no more than one month beyond the month of the departure; or

(7) a participant minor child has run away from home, and another person has not made application for that minor child, assistance must continue for no more than two months following the month of departure.

Subp. 5. Shared, court ordered, and other custody arrangements. The language of a court order that specifies joint legal or physical custody does not preclude a determination that a parent is absent. Absence must be determined based on the actual facts of the absence and according to items A to C.

A. When a minor child spends time in each of the parents' homes within a payment month, the minor child's home shall be considered the home in which the majority of the minor child's time is spent. When this time is exactly equal within a payment month, or when the parents alternately live in the minor child's home within a payment month, the minor child's home shall be with that parent who is applying for MFIP, unless the minor child's needs for the full payment month have already been met through the provision of assistance to the other parent for that month.

B. When the physical custody of a minor child alternates between parents for periods of at least one payment month, each parent shall be eligible for assistance for any full payment months the minor child's home is with that parent, except under the conditions in item C.

C. When a minor child's home is with one parent for the majority of time in each month for at least nine consecutive calendar months, and that minor child visits or vacations with the other parent under the provisions of subpart 4, item C, subitem (4), the minor child's home shall remain with the first parent even when the stay with the second parent is for all or the majority of the months in the period of the temporary absence.

Subp. 6. Eligibility during labor disputes. To be eligible for MFIP, an assistance unit with a member on strike must:

- A. be a participant on the day before the strike; or
- B. have been eligible for MFIP on the day before the strike.

The local agency must count the striker's pre-strike earnings as current earnings. When a member of an assistance unit who is not in the bargaining unit that voted for the strike does not cross the picket line for fear of personal injury, the assistance unit member is

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not a striker. Except for a member of an assistance unit who is not in the bargaining unit that voted for the strike and who does not cross the picket line for fear of personal injury, a significant change cannot be invoked as a result of a labor dispute.

Subp. 7. Assignment of support. To be eligible for MFIP, the caregiver must assign all rights to child support, private health care benefits, and spousal maintenance benefits to the local agency.

Subp. 8. Requirement to provide social security numbers. To be eligible for MFIP, each member of the assistance unit must provide the member's social security number to the local agency. When a social security number is not provided to the local agency for verification, this requirement is satisfied when each member of the assistance unit cooperates with the procedures for verification of numbers, issuance of duplicate cards, and issuance of new numbers which have been established jointly between the Social Security Administration and the commissioner.

9500.4070 PROPERTY LIMITATIONS.

Subpart 1. Property ownership provisions. The local agency must apply items A to D to real and personal property. The local agency must use the equity value of legally available real and personal property, except property excluded in subparts 2 and 3, to determine whether an applicant or participant is eligible for assistance.

A. When real or personal property is jointly owned by two or more persons, the local agency shall assume that each person owns an equal share, except that either person owns the entire sum of a joint personal checking or savings account. When an applicant or participant documents greater or lesser ownership, the local agency must use that greater or lesser share to determine the equity value held by the applicant or participant. Other types of ownership must be evaluated according to law.

B. Real or personal property owned by the applicant or participant must be presumed legally available to the applicant or participant unless the applicant or participant documents that the property is not legally available to the applicant or participant. When real or personal property is not legally available, its equity value must not be applied against the limits of subparts 2 and 3.

C. An applicant must disclose whether the applicant has transferred real or personal property valued in excess of the property limits in subparts 2 and 3 for which reasonable compensation was not received within one year prior to application. A participant must disclose all transfers of property valued in excess of these limits, according to the reporting requirements in part 9500.4280, subpart 9. When a transfer of real or personal property without reasonable compensation has occurred, subitems (1) and (2) apply.

(1) The person who transferred the property must provide the property's description, information needed to determine the property's equity value, the names of persons who received the property, and the circumstances of and reasons for the transfer.

(2) When the transferred property can be reasonably reacquired, or when reasonable compensation can be secured, the property is presumed legally available to the applicant or participant.

D. A participant may build the equity value of real and personal property to the limits in subparts 2 and 3.

Subp. 2. Real property limitations. Ownership of real property by an applicant or participant is subject to the limitations in items A and B.

A. A local agency shall exclude the homestead of an applicant or participant according to subitems (1) to (3).

(1) An applicant or participant who is purchasing real property through a contract for deed and using that property as a home is considered the owner of real property.

(2) The total amount of land that can be excluded under this subpart is limited to surrounding property which is not separated from the home by intervening property owned by others. Additional property must be assessed as to its legal and actual availability according to subpart 1.

(3) When real property that has been used as a home by a participant is sold, the local agency must treat the cash proceeds from the sale as excluded property for six months when the participant intends to reinvest the proceeds in another home and maintains those proceeds, unused for other purposes, in a separate account.

B. The equity value of real property that is not excluded under item A and which is legally available must be applied against the limits in subpart 3. When the equity value of the real property exceeds the limits under subpart 3, the applicant or participant may qualify to receive assistance for a consecutive nine-month period when the applicant or participant makes a good faith effort to sell the property and signs a legally binding agreement to repay the amount of assistance issued during that nine months less child support collected by the agency. When the property is sold during the nine-month period, repayment must be made within five working days after the property is sold. Repayment to the local agency must be in the amount of assistance received or the proceeds of the sale, whichever is less. If the property is not sold during the nine-month period, the local agency must terminate MFIP assistance. When the property is sold, the former participant must repay the local agency within five working days after the property is sold. Repayment to the local agency must be in the amount of the assistance received or the proceeds of the sale, whichever is less.

Subp. 3. Other property limitations. To be eligible for MFIP, the equity value of all nonexcluded real and personal property of

the assistance unit must not exceed \$2,000. The value of items A to R must be excluded when determining the equity value of real and personal property.

A. The value of licensed automobiles, trucks, or vans up to a total equity value of \$4,500, exclusive of the value of special equipment for a handicapped member of the assistance unit. To establish the equity value of vehicles, a local agency must subtract any outstanding encumbrances from the loan value listed in the N.A.D.A. Official Used Car Guide, Midwest Edition, for newer model cars. The N.A.D.A. Official Used Car Guide, Midwest Edition, is incorporated by reference. It is published monthly by the National Automobile Dealers Used Car Guide Company and is available through the Minitex interlibrary loan system. It is subject to frequent change. When a vehicle is not listed in the guidebook, or when the applicant or participant disputes the value listed in the guidebook as unreasonable given the condition of the particular vehicle, the local agency may require the applicant or participant to document the value by securing a written statement from a motor vehicle dealer licensed under *Minnesota Statutes*, section 168.27, stating the amount that the dealer would pay to purchase the vehicle. The local agency shall reimburse the applicant or participant for the cost of a written statement that documents a lower value.

B. The value of a prepaid burial account, burial plan, or burial trust up to \$1,500 for each member of the assistance unit.

C. One burial plot per member of an assistance unit.

D. The value of personal property needed to produce earned income, including tools, implements, farm animals, inventory, business loans, business checking and savings accounts used exclusively for the operation of a self-employment business, and any motor vehicles if the vehicles are essential for the self-employment business.

E. The value of real and personal property owned by a parent of a minor caregiver or a stepparent when those persons are not applying for MFIP and are not required to be included in the MFIP assistance unit under part 9500.4100, subpart 2.

F. The value of personal property not otherwise specified which is commonly used by household members in day-to-day living such as clothing, necessary household furniture, equipment, and other basic maintenance items essential for daily living.

G. The value of real and personal property owned by a recipient of SSI or MSA.

H. The value of corrective payments and the AFDC housing allowance, but only for the month in which the payment is received and for the following month.

I. A mobile home used by an applicant or participant as the applicant's or participant's home.

J. Money escrowed in a separate account that is needed to pay real estate taxes or insurance and that is used for this purpose at least semiannually.

K. Money held in escrow to cover employee FICA, employee tax withholding, sales tax withholding, employee worker compensation, business insurance, property rental, property taxes, and other costs that are paid at least annually, but less often than monthly.

L. Monthly assistance and emergency assistance payments for the current month's needs.

M. The value of school loans, grants, or scholarships for the period they are intended to cover.

N. Payments listed in part 9500.4080, subpart 2, item I, which are held in escrow for a period not to exceed three months to replace or repair personal or real property.

O. Income received in a budget month through the end of the budget month.

P. The earned income credit and Minnesota working family credit in the month received and the following month.

Q. Payments excluded under federal law as long as those payments are held in a separate account from any nonexcluded funds.

9500.4080 INCOME LIMITATIONS.

Subpart 1. **Evaluation of income.** To determine MFIP eligibility, the local agency must evaluate income received by members of an assistance unit, or by other persons whose income is considered available to the assistance unit. All payments, unless specifically excluded in subpart 2, must be counted as income.

Subp. 2. **Excluded income.** The following items must be excluded from countable income:

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- A. payments for basic care, difficulty of care, and clothing allowances received for providing family foster care to children or adults under parts 9545.0010 to 9545.0260 and 9555.5050 to 9555.6265 and payments received and used for care and maintenance of a third party beneficiary who is not a household member;
- B. reimbursements for employment training received through the Job Training Partnership Act, *United States Code*, title 29, chapter 19, sections 1501 to 1792b;
- C. reimbursement for out-of-pocket expenses incurred while performing volunteer services, jury duty, or employment;
- D. all educational grants and loans, including income from work-study programs;
- E. loans, regardless of purpose, from public or private lending institutions, governmental lending institutions, or governmental agencies;
- F. loans from private individuals, regardless of purpose, provided an applicant or participant documents that the lender expects repayment;
- G. state and federal income tax refunds;
- H. state and federal earned income credits;
- I. funds received for reimbursement, replacement, or rebate of personal or real property when these payments are made by public agencies, awarded by a court, solicited through public appeal, or made as a grant by a federal agency, state or local government, or disaster assistance organizations, subsequent to a presidential declaration of disaster;
- J. the portion of an insurance settlement that is used to pay medical, funeral, and burial expenses, or to repair or replace insured property;
- K. reimbursements for medical expenses which cannot be paid by medical assistance;
- L. payments by a vocational rehabilitation program administered by the state under *Minnesota Statutes*, chapter 268A, except those payments that are for current living expenses;
- M. in-kind income, including any payments directly made by a third party to a provider of goods and services;
- N. assistance payments to correct underpayments, but only for the month in which the payment is received;
- O. AFDC emergency assistance payments issued under part 9500.2800, subpart 2, emergency general assistance issued under part 9500.1261, or AFDC special needs payments issued under part 9500.2800, subparts 6 to 8;
- P. supplemental housing allowance payments as provided by *Minnesota Statutes*, section 256.879;
- Q. funeral and cemetery payments as provided by *Minnesota Statutes*, section 256.935;
- R. nonrecurring cash gifts of \$30 or less, not exceeding \$30 per participant in a calendar month;
- S. any form of energy assistance payment made by LIHEAP, payments made directly to energy providers by other public and private agencies, benefits issued by energy providers when the Minnesota Department of Jobs and Training determines that those payments qualify under *Code of Federal Regulations*, title 45, subtitle B, chapter II, part 233, section 233.53, and any form of credit or rebate payment issued by energy providers;
- T. the first \$50 of child support paid under *Code of Federal Regulations*, title 45, subtitle B, chapter III, part 302, section 302.51, paragraph (b)(1);
- U. SSI, including retroactive payments;
- V. MSA, including retroactive payments;
- W. proceeds from the sale of real or personal property;
- X. payments for subsidized adoptions as provided by *Minnesota Statutes*, section 259.40;
- Y. state-funded family subsidy program payments made under *Minnesota Statutes*, section 252.32, to help families care for children with mental retardation or related conditions;
- Z. interest payments and dividends from property that is not excluded from and that does not exceed the \$2,000 asset limit;
- AA. income that is otherwise specifically excluded from AFDC program consideration in federal law, state law, or federal regulation;
- BB. rent rebates;
- CC. income earned by a minor child who is at least a half-time student;
- DD. MFIP child care payments;

- EE. all other payments made through MFIP to support a caregiver's pursuit of greater self support;
- FF. income a participant receives related to shared living expenses;
- GG. reverse mortgages;
- HH. benefits provided by the Child Nutrition Act of 1966, *United States Code*, title 42, chapter 13A, sections 1771 to 1790;
- II. benefits provided by the women, infants, and children (WIC) nutrition program, *United States Code*, title 42, chapter 13A, section 1786;
- JJ. benefits from the National School Lunch Act, *United States Code*, title 42, chapter 13, sections 1751 to 1769e;
- KK. relocation assistance for displaced persons under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, *United States Code*, title 42, chapter 61, subchapter II, section 4636, or the National Housing Act, *United States Code*, title 12, chapter 13, sections 1701 to 1750jj;
- LL. benefits from the Trade Act of 1974, *United States Code*, title 19, chapter 12, part 2, sections 2271 to 2322;
- MM. war reparations payments to Japanese Americans and Aleuts under *United States Code*, title 50, sections 1989 to 1989d;
- NN. payments to veterans or their dependents as a result of legal settlements regarding Agent Orange or other chemical exposure under Public Law Number 101-239, section 10405, paragraph (a)(2)(E);
- OO. security and utility deposit refunds; and
- PP. American Indian tribal land settlements excluded under Public Law Numbers 98-123, 98-124, and 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech Lake, and Mille Lacs reservations and payments to members of the White Earth Band, under *United States Code*, title 25, chapters 9, section 331; and 16, section 1407.

Subp. 3. **Initial income test.** The local agency shall determine initial eligibility by considering all earned and unearned income that is not excluded under subpart 2. To be eligible for MFIP, the assistance unit's countable income minus the disregards in items A to C must be below the transitional standard of assistance specified in part 9500.4100, subpart 7, for that size assistance unit.

A. When determining initial eligibility and when determining income deemed from members who do not elect to be included in the assistance unit, the employment disregard is 18 percent of the gross earned income whether or not the member is working full time or part time.

B. When determining initial eligibility, dependent care costs must be deducted from gross earned income for the actual amount paid for dependent care up to the maximum disregard allowed under *United States Code*, title 42, chapter 7, section 602, subsection (a), paragraph (8), subparagraph (A)(iii).

C. Notwithstanding item A, when determining initial eligibility for participants who have received AFDC, family general assistance, or MFIP in Minnesota within four months of the most recent application for MFIP, the employment disregard is 38 percent of the gross earned income.

After initial eligibility is established, the assistance payment calculation is based on the monthly income test.

Subp. 4. **Monthly income test and determination of assistance payment.** The local 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 items A to D must be at least one dollar.

A. For earned income, a 38 percent income disregard is applied and counted earnings are subtracted from the family wage level. If the difference is equal to or greater than the transitional standard, the assistance payment is equal to the transitional standard. If the difference is less than the transitional standard, the assistance payment is equal to the difference. The employment disregard in this item must be deducted every month there is earned income.

B. For unearned income, there is no income disregard. Unearned income is subtracted dollar for dollar from the transitional standard to determine assistance payment amount.

C. If income is both earned and unearned, the amount of the assistance payment must be determined by first treating gross earned income as specified in item A. After determining the amount of the assistance payment under item A, unearned income must be subtracted from that amount dollar for dollar to determine the assistance payment amount.

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D. When the monthly income is greater than the transitional or family wage level standard after applicable deductions and the income will only exceed the standard for one month, the local agency must suspend the assistance payment for the payment month.

Subp. 5. **Distribution of income.** The income of all members of the assistance unit must be counted. Income must be attributed to the person who earns it or to the assistance unit according to items A to G.

A. Income may be allocated from spouse to spouse and from parents to children under age 21 according to part 9500.4140 when the person to whom the income is allocated is in financial need according to the MFIP standard and when that person lives with the minor child who is applying for or receiving assistance.

B. For stepparents who do not elect to be part of the assistance unit, the local agency must not count the stepparent's income if it is less than or equal to 275 percent of federal poverty guidelines for a family of one. For stepparents whose income is more than 275 percent of the federal poverty guidelines for a family of one and parents of minor caregivers who do not elect to be part of the assistance unit, the local agency must count the income that remains after disregarding:

- (1) the first 18 percent of the excluded family member's gross earned income;
- (2) amounts the stepparent or parent of the minor caregiver actually paid to individuals not living in the same household but whom the stepparent or parent claims as dependents for determining federal personal income tax liability;
- (3) child or spousal support paid to a person who lives outside of the household;
- (4) an amount for the needs of one parent of a minor caretaker or a stepparent at the first adult standard; and
- (5) an amount for the needs of other persons who live in the household but are not included in the assistance unit and are or could be claimed by a parent of a minor caretaker or stepparent as dependents for determining federal personal income tax liability. This amount must equal the MFIP family allowance for a family group of the same composition as the dependent persons described in this subitem.

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

D. Income from jointly owned property must be divided equally among property owners unless the terms of ownership provide for a different distribution.

E. Income of the sponsors of noncitizens must be deemed to the noncitizens as provided by *Code of Federal Regulations*, title 45, subtitle B, chapter II, part 233, section 233.51.

F. Except as provided under items B and E, deductions are not allowed from the gross income of a financially responsible household member or by the members of an assistance unit to meet a current or prior debt.

G. For persons who have been disqualified from receiving MFIP, the local agency must count the disqualified member's income according to subitems (1) and (2).

(1) For stepparents and parents of minor caregivers, the local agency must count the income remaining after disregarding income according to item B, except income must not be allocated to meet the needs of the disqualified person.

(2) For mandatory unit members, the local agency must count the income as though the member was included in the unit, but income must not be allocated to meet the needs of the disqualified person.

Subp. 6. **Earned income of wage and salary employees.** The local agency must include gross earned income less any disregards in the initial and monthly 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.

Subp. 7. **Self-employment, general.** The local agency must include the income from self-employed individuals in the initial and monthly income test. Self-employed individuals are individuals who:

- A. work for themselves rather than an employer;
- B. do not have federal or state income taxes or FICA withheld from payments made to them;
- C. are responsible for their own work schedule; and
- D. do not have coverage under employers' liability insurance or workers' compensation.

Self-employed individuals may own a business singularly or in partnership. Individuals operating more than one self-employment business may use the loss from one business to offset self-employment income from another business. A loss from a self-employment business may not offset income earned under subpart 6.

Subp. 8. **Self-employment earnings.** The local agency must determine self-employment income according to items A and B.

A. The local agency must subtract allowable business expenses from total gross receipts. Allowable business expenses include:

- (1) interest on mortgages and loans;
- (2) employee wages, except for persons who are part of the assistance unit or whose income is deemed to the participant;
- (3) FICA funds paid on employees' wages, payment of employee workers' compensation, and unemployment insurance;
- (4) livestock and veterinary or breeding fees;
- (5) raw material;
- (6) seed and fertilizer;
- (7) maintenance and repairs which are not capital expenditures;
- (8) tax return preparation fees;
- (9) license fees, professional fees, franchise fees, and professional dues;
- (10) tools and supplies that are not capital expenditures;
- (11) fuel and transportation expenses other than fuel costs covered by the flat rate transportation rate deduction;
- (12) advertising costs;
- (13) meals eaten when required to be away from the local work site;
- (14) property expenses such as rent, insurance, taxes, and utilities;
- (15) postage;
- (16) purchase cost of inventory at time of sale;
- (17) loss from another self-employment business;
- (18) attorney fees allowed by the Internal Revenue Service; and
- (19) tuition for classes necessary to maintain or improve job skills or required by law to maintain job status or salary as allowed by the Internal Revenue Service.

B. The local agency may not allow a deduction for the following expenses:

- (1) purchases of capital assets;
- (2) payments on the principals of loans for capital assets;
- (3) depreciation;
- (4) amortization;
- (5) the wholesale costs of items purchased, processed, or manufactured which are unsold inventory;
- (6) transportation costs that exceed the maximum standard mileage rate allowed for use of a personal car in the Internal Revenue Code;
- (7) costs, in any amount, for mileage between an applicant's or participant's home and place of employment;
- (8) salaries and other employment deductions made for members of an assistance unit or persons who live in the household for whom an employer is legally responsible;
- (9) monthly expenses in excess of \$71 for each roomer;
- (10) monthly expenses in excess of the Thrifty Food Plan amount for one person for each boarder. For purposes of this subitem and subitem (11), "Thrifty Food Plan" has the meaning given it in *Code of Federal Regulations*, title 7, subtitle B, chapter II, subchapter C, part 271, section 271.2;
- (11) monthly expenses in excess of the roomer rate plus the Thrifty Food Plan amount for one person for each roomer-boarder. If there is more than one boarder or roomer-boarder use the total number of boarders as the unit size to determine the Thrifty Food Plan amount;

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(12) an amount greater than actual expenses or two percent of the estimated market value on a county tax assessment form, whichever is greater, as a deduction for upkeep and repair against rental income;

(13) expenses not allowed by the Internal Revenue Code; and

(14) expenses in excess of 60 percent of gross receipts for in-home child care unless a higher amount can be documented. Funds that are received from the Minnesota child care food program as authorized under the National School Lunch Act, *United States Code*, title 42, chapter 13, sections 1751 to 1769e, are excluded from gross receipts and the expenses covered by the funds must not be claimed as a deduction.

Subp. 9. Self-employment budget period. The self-employment budget period begins in the month of application or in the first month of self-employment. Gross receipts must be budgeted in the month received. Expenses must be budgeted against gross receipts in the month the expenses are paid, except for items A to C.

A. The purchase cost of inventory items, including materials which are processed or manufactured, must be deducted as an expense at the time payment is received for the sale of the inventory items.

B. A 12-month rolling average based on subitems (1) to (3) must be used to budget monthly income.

(1) If a business has been in operation for at least 12 months, the local agency must use the average monthly self-employment income from the most current income tax report for the 12 months before the month of application. Each month, the local agency must determine a new monthly average by adding in the actual self-employment income and expenses from the previous month and dropping the first month from the averaging period.

(2) If a business has been in operation for less than 12 months, the local agency must compute the average for the number of months the business has been in operation to determine a monthly average. When data are available for 12 or more months, average monthly self-employment income is determined under subitem (1).

(3) If the business undergoes a major change, the local agency must compute a new rolling average beginning with the first month of the major change. For the purpose of this subitem, "major change" means a change that affects the nature and scale of the business and is not merely the result of normal business fluctuations.

C. For seasonal self-employment, the caregiver may choose whether to use actual income in the month of receipt and expenses in the month incurred or the rolling average method of computation. The choice must be made once per year at the time of application or recertification. For the purpose of this item, "seasonal" means working six or less months per year.

Subp. 10. Farm income. Farm income is the difference between gross receipts and operating expenses, subject to subpart 8, item B. Gross receipts include sales, rents, subsidies, soil conservation payments, production derived from livestock, and income from home produced food.

Subp. 11. Rental income. The local agency must treat income from rental property as earned or unearned income. Income from rental property is unearned income unless the assistance unit spends an average of ten hours per week on maintenance or management of the property. When the owner spends more than ten hours per week on maintenance or repairs, the earnings are considered self-employment earnings. An amount must be deducted for upkeep and repairs as specified in subpart 8, item B, subitem (12), for real estate taxes, insurance, utilities, and interest on principal payments. When the applicant or participant lives on the rental property, expenses for upkeep, taxes, insurance, utilities, and interest must be divided by the number of rooms to determine expense per room and expenses deducted must be deducted only for the number of rooms rented.

Subp. 12. Unearned income. The local agency must apply unearned income to the transitional standard. When determining the amount of unearned income, the local agency must deduct the costs necessary to secure payments of unearned income. These costs include legal fees, medical fees, and mandatory deductions such as federal and state income taxes.

Subp. 13. Treatment of lump sums. The local agency must treat lump sum payments as earned or unearned income. If the lump sum payment is included in the category of income identified in subpart 12, it must be treated as unearned income. A lump sum is counted as income in the month received and budgeted either prospectively or retrospectively depending on the budget cycle at the time of receipt. When an individual receives a lump sum payment, that lump sum must be combined with all other earned and unearned income received in the same budget month, and it must be applied according to items A to C. There is no carryover into subsequent months. Any funds that remain in the third month after the month of receipt are counted in the asset limit.

A. For a lump sum received by an applicant during the first two months, prospective budgeting is used to determine the payment and the lump sum must be combined with other earned or unearned income received and budgeted in that prospective month.

B. For a lump sum received by a participant after the first two months of MFIP eligibility, the lump sum must be combined with other income received in that budget month, and the combined amount must be applied retrospectively against the applicable payment month.

C. When a lump sum, combined with other income according to items A and B, is less than the transitional standard for the applicable payment month, the assistance payment is reduced according to the amount of the countable income. When the countable income is greater than the transitional standard or the family wage standard, the assistance payment is suspended for the payment month.

9500.4090 DOCUMENTING, VERIFYING, AND RECERTIFYING ELIGIBILITY.

Subpart 1. **Verification of information.** A local agency must only require verification of information necessary to determine MFIP eligibility and the amount of the assistance payment.

Subp. 2. **Sufficiency of documentation.** The applicant or participant must document the information in subparts 4 and 5 or authorize the local agency to verify it. The applicant or participant has the burden of providing documentary evidence to verify eligibility. The local agency shall assist the applicant or participant in obtaining required documents when the applicant or participant is unable to do so. When an applicant or participant and the local agency are unable to obtain documents needed to verify information, the local agency may accept an affidavit from an applicant or participant as sufficient documentation.

Subp. 3. **Contacting third parties.** A local agency must not request information about an applicant or participant which is not of public record from a source other than local agencies, the department, or the United States Department of Health and Human Services without the person's prior written consent. An applicant's signature on an application form shall constitute this consent for contact with the sources specified on that form. A local agency may use a single consent form to contact a group of similar sources, such as banks or insurance agencies, but the sources to be contacted must be identified by the local agency prior to requesting an applicant's consent.

Subp. 4. **Factors to be verified.** The local agency must verify the following at application:

- A. identity of adults;
- B. presence of the minor child in the home, if questionable;
- C. relationship of a minor child to caregivers in the assistance unit;
- D. age, if necessary to determine MFIP eligibility;
- E. immigration status;
- F. social security number;
- G. income;
- H. self-employment expenses used as a deduction;
- I. source and purpose of deposits and withdrawals from business accounts;
- J. spousal support and child support payments to persons outside the household;
- K. real property;
- L. vehicles;
- M. checking and savings accounts;
- N. savings certificates, savings bonds, stocks, and individual retirement accounts;
- O. cash surrender value of life insurance;
- P. inconsistent information;
- Q. medical insurance;
- R. the first day of the third trimester for a pregnant woman;
- S. the anticipated graduation date of an 18-year-old;
- T. burial accounts; and
- U. school attendance, if related to eligibility.

An applicant's written authorization is required before the local agency contacts the Immigration and Naturalization Service to

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verify immigration status under item E. However, refusal to provide such authorization is grounds for a finding of ineligibility if the applicant fails to produce proof of eligible immigration status.

When the local agency verifies inconsistent information under item P, the reason for verifying the information must be documented in the financial case record.

Subp. 5. Items that must be verified at recertification. The local agency must verify the following at recertification:

- A. presence of the minor child in the home, if questionable;
- B. income;
- C. self-employment expenses used as a deduction;
- D. checking and savings accounts;
- E. source and purpose of deposits and withdrawals from business accounts;
- F. burial accounts, individual retirement accounts, cash surrender value of life insurance, savings certificates, stocks, bonds, real property, and vehicles when their value is within \$200 of the asset limit; and
- G. inconsistent information.

Subp. 6. Recertification of eligibility. The local agency must recertify eligibility at least annually in a face-to-face interview with the participant.

9500.4100 FAMILY COMPOSITION AND ASSISTANCE STANDARDS.

Subpart 1. MFIP assistance unit. An MFIP assistance unit is either a group of individuals with at least one minor child who live together whose needs, assets, and income are considered together and who receive assistance from MFIP, or a pregnant woman in the third trimester of pregnancy with no other children who receives assistance from MFIP. Individuals identified in subpart 2 must be included in the MFIP assistance unit. Individuals identified in subpart 3 must be excluded from the assistance unit. Individuals identified in subpart 4 may be included in the assistance unit at their option. Individuals not included in the assistance unit who are identified in part 9500.4080, subpart 5, item B, must have their income considered when determining eligibility and benefits for an MFIP assistance unit. All assistance unit members, whether mandatory or elective, who live together and for whom one caregiver or two married caregivers apply must be included in a single assistance unit.

Subp. 2. Mandatory assistance unit composition. When the following individuals live together, they must be included in the assistance unit:

- A. a minor child;
- B. the minor child's siblings and half-siblings; and
- C. the minor child's natural or adoptive parents.

Subp. 3. Individuals who must be excluded from an assistance unit. The following individuals must be excluded from an assistance unit:

- A. individuals receiving SSI or MSA;
- B. individuals living at home while performing court-imposed, unpaid community service work due to a criminal conviction;
- C. individuals disqualified from the food stamp program or AFDC due to noncompliance with quality control requirements or who are under a fraud disqualification until the period of disqualification ends; and
- D. individuals disqualified from MFIP, until the disqualification ends.

Subp. 4. Individuals who may elect to be included in the assistance unit. When the following individuals live with mandatory members of the assistance unit identified in subpart 2, the individuals may elect to be included in the assistance unit:

- A. the minor child's eligible relative caregiver, but only one eligible relative caregiver may elect to be included in the assistance unit;
- B. the minor child's stepparent;
- C. the minor child's stepsiblings; and
- D. the parents of a minor parent caregiver.

Subp. 5. **MFIP family allowance table.** The following table represents the MFIP family allowance table.

Children Standard		Adult Standard	
Number of Eligible Children	Monthly Standard of Need	Eligible Adults	Monthly Standard of Need
1	\$250	first adult standard	\$187
2	\$345	second adult standard	\$ 73
3	\$434		
4	\$510		
5	\$586		
6	\$663		
7	\$729		
8	\$793		
9	\$848		
10	\$902		
over 10	add \$53 per additional child		
Special Standard for one child	\$337	Special Standard for one adult	\$250

Subp. 6. **Application of assistance standards.** The standards that apply to an assistance unit are set forth in items A to F.

A. The children standard must be used for the minor child or a minor caregiver who lives with either or both parents.

B. The first adult standard must be used for the first eligible adult caregiver in the unit and the first eligible minor caregiver who is emancipated or who lives apart from both parents.

C. The second adult standard must be used for an additional parent caregiver when one parent caregiver is eligible for the first adult standard.

D. The special child standard must be used whenever the only adult or adults in the household receive SSI or MSA or both. When an assistance unit includes more than one minor child, the special child standard must be determined by substituting the first adult standard for the needs of the last minor child in the assistance unit and combining that amount with the children standard for the remaining minor children.

E. The assistance standard for a family consisting of a pregnant woman in the third trimester of pregnancy must be equal to the assistance standard paid to one adult and one child.

F. The special adult standard must be used whenever the only child or children in the household receive SSI.

Subp. 7. **Transitional standard.** The transitional standard for the assistance units identified in subpart 6 is the MFIP allowance under subpart 5 plus the full cash value of food stamps for an assistance unit of the same size and composition. For the purpose of this subpart, "full cash value of food stamps" means the amount of the cash value of food stamps to which an assistance unit of a given size would be entitled for a month, determined by assuming unearned income equal to the AFDC standard for a family of that size and composition and subtracting the standard deduction and maximum shelter deduction from gross family income, as allowed under the Food Stamp Act of 1977, *United States Code*, title 7, section 2031, and the Hunger Prevention Act of 1988, Public Law Number 100-435.

Subp. 8. **Family wage level standard.** The family wage level standard is 120 percent of the transitional standard under subpart 7 and is the standard used when there is earned income in the assistance unit. Earned income is subtracted from the family wage level as specified in part 9500.4080, subpart 4, item A, to determine the amount of the assistance payment. Assistance payments may not exceed the transitional standard for the assistance unit.

Subp. 9. **Publication of transitional standard.** The Department of Human Services shall annually publish in the *State Register* the transitional standard for an assistance unit size 1 to 10.

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9500.4110 DETERMINATION OF MFIP ELIGIBILITY AND ASSISTANCE PAYMENT.

A local agency must determine MFIP eligibility prospectively for a payment month based on retrospectively assessing income and the local agency's best estimate of the circumstances that will exist in the payment month.

Except as described in part 9500.4130, subpart 1, when prospective eligibility exists, a local agency must calculate the amount of the assistance payment using retrospective budgeting. To determine MFIP eligibility and the assistance payment amount, a local agency must apply countable income, described in part 9500.4080, subparts 6 to 13, received by members of an assistance unit or by other persons whose income is counted for the assistance unit, described under part 9500.4080, subpart 5.

This income must be applied to the transitional standard or family wage standard described in part 9500.4100, subparts 7 and 8, subject to parts 9500.4120 to 9500.4160. Income received in a calendar month and not otherwise excluded under part 9500.4080, subpart 2, must be applied to the needs of an assistance unit.

9500.4120 MFIP ELIGIBILITY TESTS.

Subpart 1. **Prospective eligibility.** A local agency must determine whether the eligibility requirements that pertain to an assistance unit, including those in parts 9500.4060 and 9500.4070, will be met prospectively for the payment month. Except for the provisions in part 9500.4130, subpart 1, the income test will be applied retrospectively.

Subp. 2. **Retrospective eligibility.** After the first two months of MFIP eligibility, a local agency must continue to determine whether an assistance unit is prospectively eligible for the payment month by looking at all factors other than income and then determine whether the assistance unit is retrospectively income eligible by applying the monthly income test to the income from the budget month. When the monthly income test is not satisfied, the assistance payment must be suspended when ineligibility exists for one month or ended when ineligibility exists for more than one month.

Subp. 3. **Monthly income test.** A local agency must apply the monthly income test retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when the countable income equals or exceeds the transitional standard or the family wage level for the assistance unit. The income applied against the monthly income test must include:

A. gross earned income from employment, prior to mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after the disregards in part 9500.4150, and the allocations in part 9500.4140, unless the employment income is specifically excluded under part 9500.4080, subpart 2;

B. gross earned income from self-employment less deductions for self-employment expenses in part 9500.4080, subpart 8, but prior to any reductions for personal or business state and federal income taxes, personal FICA, personal health and life insurance, and after the disregards in part 9500.4150, and the allocations in part 9500.4140;

C. unearned income after deductions for allowable expenses in part 9500.4080, subpart 12, and allocations in part 9500.4140, unless the income has been specifically excluded in part 9500.4080, subpart 2;

D. gross earned income from employment as determined under item A which is received by a member of an assistance unit who is a minor child and less than a half-time student;

E. child support and spousal support received or anticipated to be received by an assistance unit less the first \$50 of current child support;

F. the income of a parent even when that parent has opted not to be included in the assistance unit;

G. the income of a stepparent whose income must be counted according to part 9500.4080, subpart 5, item B;

H. the income of an eligible relative who seeks to be included in the assistance unit; and

I. the unearned income of a minor child included in the assistance unit.

Subp. 4. **When to terminate.** When an assistance unit is ineligible for MFIP assistance for two consecutive months, the local agency must terminate MFIP assistance.

9500.4130 CALCULATING PAYMENTS.

Subpart 1. **Prospective budgeting.** A local agency must use prospective budgeting to calculate the assistance payment amount for the first two months for an applicant who has not received assistance in Minnesota for at least one payment month preceding the first month of payment under a current application. Prospective budgeting is not subject to overpayments or underpayments.

A. The local agency must apply the income received or anticipated in the first month of MFIP eligibility against the need of the first month. The local agency must apply the income received or anticipated in the second month against the need of the second month.

B. When the assistance payment for any part of the first two months is based on anticipated income, the local agency must base the initial assistance payment amount on the information available at the time the initial assistance payment is made.

C. The local agency must determine the assistance payment amount for the first two months of MFIP eligibility by budgeting both recurring and nonrecurring income for those two months.

D. The local agency must budget child support income received or anticipated to be received by an assistance unit to determine the assistance payment amount from the month of application through the month in which MFIP eligibility is determined and assistance is authorized. Child support income which has been budgeted to determine the assistance payment in the initial two months is considered nonrecurring income. An assistance unit must forward the payment of child support to the child support enforcement unit of the local agency for the months which follow the month in which assistance is authorized.

Subp. 2. **Retrospective budgeting.** The local agency must use retrospective budgeting to calculate the monthly assistance payment amount after the payment for the first two months has been made under subpart 1.

Subp. 3. **Additional uses of retrospective budgeting.** Notwithstanding subpart 1, the local agency must use retrospective budgeting to calculate the monthly assistance payment amount for the first two months under items A and B.

A. The local agency must use retrospective budgeting to determine the amount of the assistance payment in the first two months of MFIP eligibility:

(1) when an assistance unit applies for assistance for the same month for which assistance has been interrupted, the interruption in eligibility is less than one payment month, the assistance payment for the preceding month was issued in Minnesota, and the assistance payment for the immediately preceding month was determined retrospectively; or

(2) when a person applies to be added to an assistance unit, that assistance unit has received assistance in Minnesota for at least the two preceding months, and that person has been living with and has been financially responsible for one or more members of that assistance unit for at least the two preceding months.

B. Except as provided in subitems (1) to (4), the local agency must use retrospective budgeting and apply income received in the budget month by an assistance unit and by a financially responsible household member who is not included in the assistance unit against the appropriate transitional or family wage level standard to determine the assistance payment to be issued for the payment month.

(1) When a source of income ends prior to the third payment month, that income is not considered in calculating the assistance payment for that month. When a source of income ends prior to the fourth payment month, that income is not considered when determining the assistance payment for that month.

(2) When a member of an assistance unit or a financially responsible household member leaves the household of the assistance unit, the income of that departed household member is not budgeted retrospectively for any full payment month in which that household member does not live with that household and is not included in the assistance unit.

(3) When an individual is removed from an assistance unit because the individual is no longer a minor child, the income of that individual is not budgeted retrospectively for payment months in which that individual is not a member of the assistance unit, except that income of an ineligible child in the household must continue to be budgeted retrospectively against his or her own needs when the parent or parents of that child request allocation of their income against any unmet needs of that ineligible child.

(4) When a person ceases to have financial responsibility for one or more members of an assistance unit, the income of that person is not budgeted retrospectively for the payment months which follow the month in which financial responsibility ends.

Subp. 4. **Significant change in gross income.** The local agency must recalculate the assistance payment when an assistance unit experiences a significant change resulting in a reduction in the gross income received in the payment month from the gross income received in the budget month. The local agency must issue a supplemental assistance payment based on the local agency's best estimate of the assistance unit's income and circumstances for the payment month.

Subp. 5. **Income averaging for participants paid weekly or biweekly.** For the purposes of stabilizing assistance payments, the local agency may average income for participants paid weekly or biweekly. Monthly income may be computed by adding income from all paychecks, dividing the sum by the number of paychecks, and multiplying the result by 4.3 if paychecks are weekly or 2.16 if paychecks are biweekly. The local agency may not use income averaging unless discussed with the participant and requested by the participant.

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9500.4140 ALLOCATION FOR UNMET NEED OF OTHER HOUSEHOLD MEMBERS.

Except as prohibited in items A and B, an allocation of income is allowed to meet the unmet need of an ineligible spouse or an ineligible child under the age of 21 for whom the caregiver is financially responsible who also lives with the caregiver. An allocation from the caregiver's income to meet the need of an ineligible or excluded spouse is allowed up to the amount of the second adult standard. An allocation is allowed from the caregiver's income to meet the need of an ineligible or excluded child. That allocation is allowed in an amount up to the difference between the MFIP family allowance for the assistance unit when that excluded or ineligible child is included in the assistance unit and the MFIP family allowance for the assistance unit when the excluded or ineligible child is not included in the assistance unit. These allocations must be deducted from the caregiver's counted earnings and from unearned income subject to items A and B.

A. Income of a minor child in the assistance unit must not be allocated to meet the need of a person who is not a member of the assistance unit, including the child's parent, even when that parent is the payee of the child's income.

B. Income of an assistance unit must not be allocated to meet the needs of a person ineligible for failure to cooperate with program requirements including child support requirements under part 9500.4280, subpart 10, a person ineligible due to fraud, or a person who opts out of the assistance unit.

9500.4150 EMPLOYMENT DISREGARDS.

The employment disregards in items A to D apply to MFIP.

A. When determining initial eligibility and when determining income deemed from members who do not elect to be included in the assistance unit, the employment disregard is 18 percent of the gross earned income whether or not the member is working full time or part time.

B. When determining initial eligibility, dependent care costs must be deducted from gross earned income for the actual amount paid for dependent care up to the maximum disregard allowed under *United States Code*, title 42, chapter 7, section 602, subsection (a), paragraph (8), subparagraph (A)(iii).

C. When determining initial eligibility for participants who have received AFDC, family general assistance, or MFIP in Minnesota within four months of the most recent application for MFIP, the employment disregard is 38 percent of the gross earned income.

D. When determining ongoing eligibility and payment amount, the employment disregard is 38 percent of the gross earned income. The employment disregard in this item is applied every month there is earned income.

9500.4160 AMOUNT OF ASSISTANCE PAYMENT.

Except as provided in items A to C, the amount of an assistance payment is equal to the difference between the transitional standard in part 9500.4100, subpart 7, or the family wage level in part 9500.4100, subpart 8, and countable income.

A. 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.

B. AFDC or MFIP overpayments to an assistance unit must be recouped according to part 9500.4170, subpart 4.

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

9500.4170 CORRECTION OF OVERPAYMENTS AND UNDERPAYMENTS.

Subpart 1. **Scope of overpayment.** When a participant or former participant receives an overpayment due to client error or due to assistance received while an appeal is pending and the participant or former participant is determined ineligible for assistance, the local agency must recoup or recover the overpayment under the conditions of this part.

Subp. 2. **Notice of overpayment.** When a local agency discovers that a participant or former participant has received an overpayment for one or more months, the local agency must notify the participant or former participant of the overpayment in writing. A notice of overpayment must specify the reason for the overpayment, the authority for citing the overpayment, the time period in which the overpayment occurred, the amount of the overpayment, and the participant's or former participant's right to appeal. No limit applies to the period in which the local agency is required to recoup or recover the overpayment. A local agency must recoup or recover an overpayment according to subparts 3 and 4.

Subp. 3. **Recovering overpayments from former participants.** A local agency must initiate efforts to recover overpayments paid to a former participant. Adults and minor caregivers of an assistance unit at the time an overpayment occurs are jointly and individually liable for repayment of the overpayment. The local agency must request repayment from the former participants. When an agreement for repayment is not completed within six months of the date of discovery or when there is a default on an agreement for repayment after six months, the local agency must initiate recovery consistent with *Minnesota Statutes*, chapter 270A

or section 541.05. When a person has been convicted of fraud under *Minnesota Statutes*, section 256.98, recovery must be sought regardless of the amount of overpayment. When an overpayment is less than \$35, and is not the result of a fraud conviction under *Minnesota Statutes*, section 256.98, the local agency must not seek recovery under this subpart. The local agency must retain information about all overpayments regardless of the amount. When an adult or minor caregiver reapplies for assistance, the overpayment must be recouped under subpart 4.

Subp. 4. Recouping overpayments from participants. A participant may voluntarily repay, in part or in full, an overpayment even if assistance is reduced under this subpart, until the total amount of the overpayment is repaid. The local agency must recoup an overpayment to a participant by reducing one or more monthly assistance payments until the overpayment is repaid. When an overpayment occurs due to client error, the local agency must recover three percent of the transitional standard or the amount of the monthly assistance payment, whichever is less. When an overpayment occurs due to fraud, the local agency must recover ten percent of the transitional standard or the amount of the monthly assistance payment, whichever is less. When an overpayment occurs due to agency error, the local agency must not recoup the overpayment.

Subp. 5. Scope of underpayments. A local agency must issue a corrective payment for underpayments made to a participant or to a person who would be a participant if an agency or client error causing the underpayment had not occurred. The local agency must issue the corrective payment according to subpart 7.

Subp. 6. Identifying the underpayment. An underpayment may be identified by a local agency, by a participant, by a former participant, or by a person who would be a participant except for agency or client error.

Subp. 7. Issuing corrective payments. A local agency must correct an underpayment within seven calendar days after the underpayment has been identified, by adding the corrective payment amount to the monthly assistance payment of the participant or by issuing a separate payment to a participant or former participant, or by reducing an existing overpayment balance. When an underpayment occurs in a payment month and is not identified until the next payment month or later, the local agency must first subtract the underpayment from any overpayment balance before issuing the corrective payment. The local agency must not apply an underpayment in a current payment month against an overpayment balance. When an underpayment in the current payment month is identified, the corrective payment must be issued within seven calendar days after the underpayment is identified.

Subp. 8. Appeals. A participant may appeal an underpayment, an overpayment, and a reduction in an assistance payment made to recoup the overpayment under subpart 4. The participant's appeal of each issue must be timely under *Minnesota Statutes*, section 256.045. When an appeal based on the notice issued under subpart 2 is not timely, the fact or the amount of that overpayment must not be considered as a part of a later appeal, including an appeal of a reduction in an assistance payment to recoup that overpayment.

9500.4180 PAYMENT PROVISIONS.

Subpart 1. Payments. This subpart applies to monthly assistance payments and corrective payments.

A. The department must mail assistance payment checks to the address where a caretaker lives unless the local agency approves an alternate arrangement.

B. The department must mail monthly assistance payment checks within time to allow postal service delivery to occur no later than the first day of each month. Monthly assistance payment checks must be dated the first day of the month.

C. The department must issue replacement checks promptly, but no later than seven calendar days after the provisions of *Minnesota Statutes*, sections 16A.46; 256.01, subdivision 11; and 471.415, have been met.

D. When a payment is made by means other than by check, the time limits in items B and C apply.

E. When the department issues payments in the form of food coupons, the payments will be issued on a staggered basis through the first ten mailing days of the month. Sundays and federal holidays are not mailing days.

Subp. 2. Protective and vendor payments; when allowed. Alternatives to paying assistance directly to a participant may be used only:

A. when a local agency determines that a vendor payment is the most effective way to resolve an emergency situation pertaining to basic needs;

B. when a caregiver makes a written request to the local agency asking that part or all of the assistance payment be issued by protective or vendor payments. The caregiver may withdraw this request in writing at any time; or

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C. when a caregiver has exhibited a continuing pattern of mismanaging funds under the conditions specified in *Code of Federal Regulations*, title 45, subtitle B, chapter II, part 234, section 234.60, paragraph (a)(2).

(1) The director of a local agency must approve a proposal for protective or vendor payment for money mismanagement. During the time a protective or vendor payment is being made, the local agency must provide services designed to alleviate the causes of the mismanagement according to *Code of Federal Regulations*, title 45, subtitle B, chapter II, part 234, section 234.60, paragraph (a)(8).

(2) The continuing need for and method of payment must be documented and reviewed every 12 months. The director of a local agency must approve the continuation of protective or vendor payments.

(3) When it appears that the need for protective or vendor payments will continue or is likely to continue beyond two years because the local agency's efforts have not resulted in sufficiently improved use of assistance on behalf of the minor child, judicial appointment of a legal guardian or other legal representative must be sought by the local agency.

Subp. 3. Choosing payees for protective or vendor payments. A local agency must consult with a caregiver regarding the selection of the form of payment, the selection of a protective payee, and the distribution of the assistance payment to meet the various costs incurred by the assistance unit. When choosing a protective payee, the local agency must notify the caregiver of a consultation date. If the caregiver fails to respond to the local agency's request for consultation by the effective date on the notice, the local agency must choose a protective payee for that payment month and subsequent payment months until the caregiver responds to the agency's request for consultation. The local agency must notify the caregiver of the right to appeal the determination that a protective or vendor payment should be made or continued and to appeal the selection of the payee.

When a local agency is not able to find another protective payee, a local agency staff member may serve as a protective payee. The following persons may not serve as protective payees: a member of the county board of commissioners; the local agency staff member determining financial eligibility for the family; special investigative or resource staff; the staff member handling accounting or fiscal processes related to the participant; or a landlord, grocer, or other vendor dealing directly with the participant.

Subp. 4. Discontinuing protective or vendor payments. A local agency must discontinue protective or vendor payments in two years or in the month following the local agency's failure to grant six-month approval to a money management plan, whichever occurs first. At least once every 12 months, a local agency must review the performance of a protective payee acting under subpart 2, item C, to determine whether a new payee should be selected. When a participant complains about the performance of a protective payee, a review must occur within 30 calendar days.

9500.4190 SPECIAL POLICIES.

Subpart 1. General. The special policies in subparts 2 to 6 apply to MFIP counties.

Subp. 2. Medical assistance. As authorized by Congress under *United States Code*, title 42, chapter 7, subchapter IV, part A, section 602, note on Demonstration of Effectiveness of Minnesota Family Investment Plan, paragraph (b), subparagraph (7), families receiving assistance through MFIP are automatically eligible for and entitled to medical assistance under *Minnesota Statutes*, chapter 256B. A family that leaves MFIP due to increased earnings from employment is eligible for extended medical assistance as provided under *United States Code*, title 42, chapter 7, subchapter XIX, section 1396 and subchapter IV, part A, section 602, note on Demonstration of Effectiveness of Minnesota Family Investment Plan, paragraph (b), subparagraph (7).

Subp. 3. Hold harmless. No family may receive less assistance in aggregate under MFIP than they would have received in the absence of MFIP, unless the family's assistance has been reduced because of sanction or fraud disqualification. The procedures in items A to C must be followed to protect families at risk of receiving less assistance under MFIP.

A. The department must identify characteristics of families who may be at risk of receiving less assistance on an ongoing basis.

B. When a family that fits the profile identified by the department in item A files an application for assistance, the local agency must calculate the level of assistance the family would have received under current programs and compare it with the level of assistance provided under MFIP.

C. The local agency must provide assistance to the family at the higher of the two levels calculated under item B. MFIP rules apply to the assistance issued and the applicants are treated as participants if found eligible.

Subp. 4. Food stamps for household members not in the assistance unit. For household members who purchase and prepare food with the MFIP assistance unit but are not part of the assistance unit, the local agency must calculate food stamp benefits according to items A and B.

A. The local agency must determine food stamp benefits for the household without regard to MFIP assistance unit members, using maximum shelter deductions.

B. The local agency must provide food stamp benefits equal to 75 percent of the amount calculated in item A or \$10, whichever is greater, rounded to the nearest lower whole dollar.

This subpart does not apply to optional members who have chosen not to be in the assistance unit.

Fair hearing requirements for persons who receive food stamps under this subpart are governed by *Minnesota Statutes*, section 256.045, and *Code of Federal Regulations*, title 7, subtitle B, chapter II, part 273, section 273.15.

Subp. 5. **Income disregard for certain programs, food assistance portion of assistance payment.** The portion of the MFIP assistance payment that is designated by the commissioner as the food assistance portion of the assistance payment must be disregarded as income in the following programs:

- A. housing subsidy programs;
- B. low-income home energy assistance program;
- C. SSI, when determining interim assistance amount; and
- D. other programs that do not count food stamps as income.

For the purpose of this subpart, the "food assistance portion of the assistance payment" means a predetermined portion of the MFIP assistance payment that may be received in cash or food stamps. The predetermined portion of the assistance payment will vary by family profile, which is based on family size.

Subp. 6. **Retention of case records.** The local agency must retain financial case records and case management records for MFIP and comparison group members for six years. Information in the case records must be maintained according to *Minnesota Statutes*, chapter 13.

Subp. 7. **Surveys.** Participants and comparison group assistance units may be requested to complete surveys for data collection purposes. Participant and comparison group participation in the survey process is voluntary.

9500.4200 OPTION TO RECEIVE FOOD ASSISTANCE IN THE FORM OF FOOD COUPONS.

The local agency must offer participants the option to receive food coupons in place of the food portion of assistance identified in part 9500.4190, subpart 5, at application and at every recertification. Participants may change methods of receiving food assistance at any time upon request.

9500.4210 MFIP ORIENTATION TO FINANCIAL SERVICES.

Subpart 1. **Local agency to provide orientation.** Local agencies in MFIP counties must provide MFIP orientation to financial assistance and the caregiver must be given an opportunity for face-to-face interaction with staff of the local agency or the entity providing the orientation. The local agency may not require caregivers to attend an MFIP orientation. If a caregiver does not attend an orientation, the local agency must provide written information to the caregiver about MFIP.

Subp. 2. **General information.** The MFIP orientation must consist of a presentation that informs caregivers of:

- A. work incentives under MFIP;
- B. the types and locations of child care services available through the local agency that are accessible to enable a caregiver to participate in employment, preemployment, and training or educational programs;
- C. the child care resource and referral program designated by the commissioner to provide education and assistance to select child care services and a referral to the child care resource and referral when assistance is requested;
- D. the rights, responsibilities, and obligations of participants;
- E. the consequences for failure to meet requirements;
- F. the expectation that the caregiver will independently seek self-support and explain the obligation, based on time on assistance, to develop a family support agreement under part 9500.4220, subpart 6;
- G. the method of entering educational programs or employment and training services available through the county;
- H. the availability and the benefits of the early childhood health and developmental screening under *Minnesota Statutes*, sections 123.701 to 123.744.

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I. the caregiver's eligibility for transition year child care assistance when the caregiver loses eligibility for MFIP due to increased earnings; and

J. the caregiver's eligibility for extended medical assistance when the caregiver loses eligibility for MFIP due to increased earnings or increased child or spousal support.

Subp. 3. **Support services to attend orientation.** Upon a caregiver's request, the local agency must arrange for transportation and child care or reimburse caregivers for transportation and child care expenses necessary to enable caregivers to attend orientation scheduled on a day other than when the caregiver makes application for assistance.

9500.4220 CASE MANAGEMENT.

Subpart 1. **Mission statement.** The goal of MFIP case management is to help caregivers increase their family income in a timely manner through paid employment. While the ultimate objective is employment leading to maximum family support, case management services vary depending upon the family's circumstances.

Subp. 2. **Service providing agencies.** Case management services must be offered by providers certified by the commissioner of jobs and training who meet the standards in *Minnesota Statutes*, section 268.871, subdivision 1. Local agencies must assure that all services, including contracted services, meet the requirements of case management in this part and *Minnesota Statutes*, section 256.035.

Subp. 3. **Staffing.** Local agencies may hire case managers or a combination of staff to provide case management and employment and preemployment services described in subpart 4, and coordinate social and support services. Local agencies are expected to ensure that staff providing case management services have the necessary training and experience to perform the specific aspects of case management which they are assigned to do.

Subp. 4. **Case management.** The local agency must provide case management services identified in items A to I. Specific case management services provided to a caregiver depend on the family's needs and circumstances. Case management services include:

A. a review of the information presented at an earlier MFIP orientation pursuant to part 9500.4210, subpart 2, and an overview of services available under case management;

B. an MFIP assessment that meets the requirements of *Minnesota Statutes*, section 256.736, subdivision 10, paragraph (a), clause (14), and addresses caregivers' skills, abilities, interests, and needs;

C. development of, together with the caregiver, an employability plan and family support agreement according to *Minnesota Statutes*, section 256.035, subdivisions 6b and 6c;

D. assistance in accessing and coordination of social services including chemical dependency treatment, mental health services, self-esteem enhancement, motivation training, and parenting education and specific support services such as child care and transportation needed by the caregiver to fulfill the terms of the employability plan and family support agreement;

E. provision of services in support of employment which includes basic skills testing, interest and aptitude testing, career exploration, life skills training, and budgeting;

F. provision of a broad range of employment and training services including job seeking and keeping skills, job development, job club, job search, and either community work experience program under *Minnesota Statutes*, section 256.737, or on-the-job training under *Minnesota Statutes*, section 256.738;

G. evaluation and support of the caregiver's progress and compliance with the employability plan and family support agreement;

H. provision of postemployment case management services for up to six months after caregivers become exempt or exit MFIP due to employment if requested by the caregiver; and

I. coordination of education and training program activities.

Subp. 5. **Timing of case management.** The requirement for a caregiver to meet with a case manager and begin development of a family support agreement is tied to the structure of the family and the length of time on assistance according to item A, B, or C.

A. In a family headed by a single adult parental caregiver who has received AFDC, family general assistance, MFIP, or a combination of AFDC, family general assistance, and MFIP assistance for 24 or more months within the preceding 36 months, the parental caregiver must be developing and complying with the terms of the family support agreement commencing with the 25th month of assistance.

B. For a family with a minor parental caregiver or a family whose parental caregiver is 18 or 19 years of age and does not have a high school diploma or its equivalent, the parental caregiver must be developing and complying with a family support agreement concurrent with the receipt of assistance. The terms of the family support agreement must include compliance with *Minnesota Statutes*, section 256.736, subdivision 3b. If the parental caregiver fails to comply with the terms of the family support agreement,

the sanctions in *Minnesota Statutes*, section 256.035, subdivision 3, apply. When the requirements in *Minnesota Statutes*, section 256.736, subdivision 3b, have been met, a caregiver has fulfilled the caregiver's obligation. Local agencies must continue to offer case management services if the caregiver wants to continue with an employability plan. The timing of the requirement to develop a family support agreement under items A and C still apply.

C. In a family with two adult parental caregivers at least one of whom has received AFDC, family general assistance, MFIP, or a combination of AFDC, family general assistance, and MFIP assistance for six or more months within the preceding 12 months, one parental caregiver must be developing and complying with the terms of the family support agreement commencing with the seventh month of assistance. The family and the case manager will designate the parental caregiver who will develop the family support agreement based on which parent has the greater potential to increase family income or to support the family's transition to financial independence.

Subp. 6. Employability plan and family support agreement. The case manager shall develop, together with the caregiver, an employability plan and family support agreement. The employability plan includes the caregiver's overall employment goal, activities necessary to reach that goal, a timeline for each activity, and the social and support services provided by the agency. All activities in the employability plan must contribute to the caregiver's overall employment goal.

The family support agreement is the enforceable subsection of an employability plan for mandatory caregivers. The family support agreement must be limited to those steps outlined in *Minnesota Statutes*, section 256.035, subdivision 6c, that involve employment, education, or employment and training services, and scheduled meetings with the case manager. The family support agreement must be signed by both the case manager and parental caregiver.

A. In developing an employability plan and family support agreement, the case manager must discuss with the caregiver the economic benefit under MFIP of taking available employment on family income. The case manager must provide examples of how different levels of earnings increase available income.

B. Activities in the family support agreement must enhance the family's opportunities to increase its income in a timely manner through paid employment or to support the family's transition to financial independence.

C. Each step of the family support agreement shall build upon prior steps and facilitate progress toward the caregiver's overall employment goal.

D. The employability plan and family support agreement must be individualized and designed to meet the specific needs of the caregiver and the caregiver's family.

If the employability plan consists solely of social and health services, the family support agreement must specify required meetings with the case manager at least semiannually. Caregivers with an employability plan from Project STRIDE or other programs must develop a mutually acceptable MFIP employability plan and, if applicable, a family support agreement.

Subp. 7. Education and training activities. The case manager and the caregiver must consider the criteria in items A to E before including education and training activities in the employability plan.

A. The caregiver and case manager must agree:

(1) there is a market for full-time employees with this education or training where the caregiver will or is willing to reside upon completion of the program;

(2) the average wage level for employees with this education or training is greater than the caregiver can earn without this education or training;

(3) the caregiver has the academic ability to successfully complete the program; and

(4) there is a reasonable expectation that the caregiver will complete the training program based on such factors as the caregiver's previous education, training, work history, current motivation, and changes in previous circumstances.

B. The caregiver and case manager must consider family income that could be earned by immediate entry into paid employment which will be foregone during pursuit of education or training. A comparison must be made between income foregone during pursuit of education or training and the probable income which will be earned following the education or training.

C. When considering part-time education and training under item A, the case manager and caregiver must assess the advantages of combining part-time education or training with part-time employment.

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D. Activities under this subpart are limited to education up to a baccalaureate degree, with the exception of limited course-work necessary for licensure or certification.

E. Caregivers in education or training programs must maintain satisfactory progress. "Satisfactory progress" in an education or training program means the caregiver remains in good standing as defined by the education or training institution and meets the requirements of the caregiver's MFIP employability plan. The case manager may withdraw approval of the caregiver's employability plan when the caregiver does not maintain satisfactory progress in the education or training program.

Subp. 8. **Good cause for failure to comply.** Caregivers may claim the following reasons as good cause for failure to comply with the expectations of MFIP case management:

- A. needed child care is not available;
- B. the job does not meet the definition of suitable employment;
- C. the parental caregiver is ill, incapacitated, or injured;
- D. a family member is ill and needs care by the parental caregiver;
- E. the parental caregiver is unable to secure the necessary transportation;
- F. the parental caregiver is in an emergency situation;
- G. the schedule of compliance with the family support agreement conflicts with judicial proceedings;
- H. the parental caregiver is already participating in acceptable activities;
- I. the family support agreement requires an educational program for a parent under the age of 20, but the educational program is not offered in the school district;
- J. activities identified in the family support agreement are not available;
- K. the parental caregiver is willing to accept suitable employment but employment is not available;
- L. the parental caregiver documents other verifiable impediments to compliance with the family support agreement beyond the parental caregiver's control; or
- M. the family support agreement requires an educational program for a parent under the age of 20, but the only available school program requires round trip commuting time from the custodial parent's residence of more than two hours by available means of transportation, excluding the time necessary to transport children to and from child care.

Subp. 9. **Revisions to the family support agreement.** The caregiver may revise the family support agreement with the case manager when good cause, as provided in subpart 8, indicates revision is warranted. Revisions for reasons other than good cause to employment goals or steps toward self-support may be made in the first six months after the initial signing of the family support agreement with the agreement of the case manager. After that, the revision must be approved by the case management supervisor or other persons responsible for review of case management decisions.

Subp. 10. **Exemptions from expectations.** A caregiver is exempt from expectations as provided in items A and B.

A. Except for subitem (4), which applies only for a single-parent family, a caregiver in a single parent or two-parent family is exempt from the expectations of MFIP case management if the caregiver is:

- (1) ill, incapacitated, or 60 years of age or older;
- (2) needed in the home because of the illness or incapacity of another family member;
- (3) the parent of a child under one year of age and is personally providing care for the child. This exemption does not apply to the school attendance requirement for minor parents or 18- and 19-year-old parents as provided in *Minnesota Statutes*, section 256.736, subdivision 3b, paragraphs (f) and (g);
- (4) the parent of a child under six years of age and is employed or participating in education or employment and training services for 20 or more hours per week. This exemption does not apply to the school attendance requirement for minor parents or 18- and 19-year-old parents as provided in *Minnesota Statutes*, section 256.736, subdivision 3b, paragraph (f), clause (5);
- (5) working 30 hours or more per week, or if the number of hours worked cannot be verified, earns at least the federal minimum hourly wage rate multiplied by 30 hours per week;
- (6) in the second or third trimester of pregnancy; or
- (7) not the natural, adoptive, or stepparent of a minor child in the assistance unit.

B. In a two-parent household, only one parent may be exempt under item A, subitem (2) or (3). If item A, subitem (5), applies to either parent in a two-parent family, the other parent is exempt. In a two-parent household, if the parent designated to develop a

family support agreement becomes exempt and the exemption is expected to last longer than six months, then the second parent is required to develop a family support agreement unless otherwise exempt under item A.

Subp. 11. **Volunteers for case management.** Upon request, local agencies must continue to offer case management services to caregivers with a signed family support agreement who become exempt under subpart 10 and caregivers randomly assigned to MFIP during the conversion period who have a Project STRIDE or ACCESS employability plan and who have not reached the timing requirement for case management under subpart 5. Local agencies may also serve other volunteers for case management according to the following priority:

- A. caregivers who have reached the time for case management under subpart 5 but are exempt under subpart 10; and
- B. caregivers who have not reached the time for case management under subpart 5.

Caregivers identified in this subpart are voluntary participants for case management and may not be sanctioned for failure to cooperate with case management until they reach the timing of case management services under subpart 5 or are no longer exempt under subpart 10.

Subp. 12. **Length of job search.** When the family support agreement specifies that a caregiver should seek employment, the caregiver will have three months to find a job which is consistent with the employment goal in the family support agreement. Caregivers may request a three-month extension. If an extension is requested, the case manager must meet with the caregiver to reassess job search methods and make adjustments as necessary. If the caregiver does not request an extension or has not found a job after the full six months, the family support agreement shall be reevaluated. If no revisions are made to the agreement, the caregiver must accept any suitable employment.

Subp. 13. **Cessation of employment.** Nonexempt caregivers who quit a job, are laid off, or are terminated must contact the case manager within ten calendar days and must schedule a meeting to revise the family support agreement to incorporate activities to replace the job. A caregiver who fails to contact the case manager within ten calendar days or fails to attend a scheduled meeting to revise the family support agreement is subject to sanction under part 9500.4250. If the substitute activity is to seek employment, the search is limited to three months to find a job related to the caregiver's employment goal. After three months, the caregiver must take any suitable employment. Caregivers who fail to comply with this subpart are subject to sanction under part 9500.4250.

9500.4230 REDUCTION OR DISCONTINUATION OF SUPPORT SERVICES.

Support services such as transportation and child care assistance will be reduced or discontinued for the time allotted for activities in which the caregiver is not participating or making satisfactory progress consistent with the terms of the family support agreement or employability plan.

9500.4240 CONCILIATION CONFERENCE.

Subpart 1. **Conciliation conference option.** The local agency must inform mandatory parental caregivers of the option of a conciliation conference when the mandatory parental caregivers cannot reach agreement with the case manager about the contents or interpretation of the family support agreement. Parental caregivers who have received a notice of intent to sanction, as required under *Minnesota Statutes*, section 256.035, subdivision 3, shall also be informed of the conciliation conference option. A caregiver may make a request for a conciliation conference by telephone, mail, or in person. Verbal requests must be followed by a request in writing to the local agency. A caregiver's request for a conciliation conference following a notice of intent to sanction must be post-marked or hand delivered within ten calendar days of the mailing of the notice of intent to sanction. Upon receiving a notice of intent to sanction, a caregiver may request a hearing under *Minnesota Statutes*, section 256.045, without exercising the option of a conciliation conference.

Subp. 2. **Goal of conciliation conference.** The goal of the conciliation conference is to achieve mutual agreement between the parental caregiver and the case manager.

Subp. 3. **Conference facilitated by a mediator, mediator's duties.** The conciliation conference must be facilitated by a mediator. The mediator must help the parental caregiver and the case manager reach a compromise agreement and resolve the dispute, if possible. The mediator shall provide a written statement summarizing the outcome of the conference to be signed by the caregiver and case manager.

The mediator may hold a conciliation conference by telephone when the distance or time required to travel to a local agency will

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cause a delay in resolving the conflict, or to promote efficiency, or at the mutual request of the caregiver and case manager. A conciliation conference may not be conducted by telephone if the caregiver objects.

Subp. 4. **Conciliation conference record, use not permitted in fair hearing.** No record of the conciliation conference may be used in the fair hearing.

9500.4250 SANCTION.

The local agency must reduce an assistance unit's assistance payment by ten percent of the transitional standard for the applicable family size when a caregiver who is not exempt from the expectations in part 9500.4220, subpart 5, fails to develop or comply with the terms of the caregiver's family support agreement. A caregiver's failure to attend scheduled meetings with the case manager means that the family support agreement cannot be developed and will also result in a ten percent sanction.

Case managers must send caregivers a notice of intent to sanction and inform the caregiver of an opportunity to request a conciliation conference at least ten days before the date the case manager notifies the local agency. If the caregiver does not request a conciliation conference within ten calendar days of the mailing of the notice of intent to sanction, the case manager must notify the local agency that the assistance payment should be reduced.

Upon notification from the case manager that an assistance payment should be reduced, the local agency must send a notice of adverse action to the caregiver stating that the assistance payment will be reduced in the next month following the ten-day notice requirement and state the reason for the action. The caregiver may request a fair hearing under *Minnesota Statutes*, section 256.045, upon notice of intent to sanction or notice of adverse action, but the conciliation conference is available only upon notice of intent to sanction. If a caregiver requests a conciliation conference, the local agency must postpone implementation of the sanction pending completion of the conciliation conference. For the purpose of this part, "notice of intent to sanction" means a case manager must provide written notification to the caregiver that the caregiver is not fulfilling the requirement to develop or comply with the family support agreement. This notification must inform the caregiver of the right to request a conciliation conference within ten days of the mailing of the notice of intent to sanction or the right to request a fair hearing under part 9500.4260.

For the purpose of this part, "notice of adverse action" means the local agency must send a notice of sanction, reduction, suspension, denial, or termination of benefits before taking any of those actions.

9500.4260 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 local agency or to the department 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 part. Issues that may be appealed are:

- A. the amount of the assistance payment;
- B. a suspension, reduction, denial, or termination of assistance;
- C. the basis for an overpayment, the calculated amount of an overpayment, and the level of recoupment;
- D. the eligibility for an assistance payment; and
- E. the use of protective or vendor payments.

A local 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. Assistance issued pending a fair hearing is subject to recovery under part 9500.4170 when as a result of the fair hearing decision the participant is determined ineligible for assistance or the amount of the assistance received. A local 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 local agency. No additional notice is required to enforce the commissioner's order.

A local 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 referee 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 appeals referee and decisions of the commissioner must be based on evidence in the hearing record and are not limited to a review of the local agency action.

9500.4270 MFIP CHILD CARE.

Subpart 1. **Definitions.** As used in this part, the following terms have the meanings given them.

A. "Child care" means the care of a dependent child in or out of the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day, by someone other than a parent, stepparent, legal guardian, eligible caregiver, or spouse of a parent, stepparent, legal guardian, or eligible caregiver.

B. "Child care assistance" means financial assistance for child care expenses which are paid or reimbursed under MFIP.

C. "Dependent child" means a child in the assistance unit who is 12 years of age or younger, or a person 13 or 14 years of age who is handicapped as defined in *Minnesota Statutes*, section 120.03, or a child under the age of 15 who is on SSI who would have been a member of the assistance unit except for receipt of SSI.

D. "Education program" means remedial or basic education or English as a second language instruction, a program leading to a GED or high school diploma, postsecondary programs excluding postbaccalaureate programs, and other education and training needs as documented in an employability plan.

E. "Full-day basis" means child care provided by a provider for more than five hours per day.

F. "Half-day basis" means child care provided by a provider for between one and five hours per day.

G. "Legal nonlicensed provider" means a provider exempt from licensing under *Minnesota Statutes*, section 245A.03.

H. "Provider" means a child care license holder who operates a family day care home, a group family day care home, a day care center, a nursery school, a day nursery, an extended day school age child care program; a person exempt from licensure who meets child care standards established by the state board of education; or a legal nonlicensed provider who is at least 18 years of age and who is not a member of the assistance unit.

I. "Provider rate" means the amount the provider charges for child care.

J. "Transition year child care" means the child care assistance guaranteed under *United States Code*, title 42, chapter 7, subchapter IV, part A, section 602, paragraph (g).

K. "Vendor payment" means a payment made by a local agency directly to a provider on behalf of a caregiver.

L. "Weekly basis" means child care provided by a provider for more than 35 hours per week.

Subp. 2. **Application for child care assistance.** Caregivers must apply for child care assistance with the local agency.

Subp. 3. **Caregivers entitled to child care assistance.** A caregiver with dependent children is entitled to child care assistance if the caregiver is working and child care is needed to permit the caregiver to work or the caregiver is required to develop an employability plan under *Minnesota Statutes*, section 256.035, subdivision 1, child care is needed to permit the caregiver to comply with the requirements in the employability plan, and the caregiver is complying with the requirements of the employability plan. Payment of child care assistance for activities in the employability plan is effective the date of application for child care. Payment of child care assistance for employed caregivers is effective the date of employment or the date of MFIP eligibility, whichever is later.

Subp. 4. **Child care for caregivers who volunteer for MFIP services.** A caregiver who volunteers for MFIP case management under part 9500.4220, subpart 11, may receive child care assistance for nonemployment activities to the extent of available resources for volunteers for case management and child care. Child care assistance must be authorized in the caregiver's employability plan and shall continue as long as the caregiver complies with the requirements of the employability plan. Payment for child care assistance for activities in the employability plan is effective the date of application for child care assistance or the date the caregiver begins the activities in the employability plan, whichever is later.

Subp. 5. **Child care assistance in a two-parent assistance unit.** A local agency may authorize child care assistance in a two-parent assistance unit when the assistance unit is eligible for child care under subpart 3 or 4, and:

A. both caregivers have an employability plan, child care is needed to comply with the employability plans, and the caregivers are in compliance with the requirements in their employability plans;

B. one caregiver is working or has an employability plan and is in compliance with the requirements in the employability plan

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and the other caregiver is unable to care for a dependent child as determined by a medical doctor or by an assessment by the local social services agency; or

C. both caregivers are working and the terms of employment make both caregivers unavailable to care for the dependent child during the hours child care is requested.

Subp. 6. **Maximum child care assistance in a two-week period.** The maximum amount of child care assistance a local agency may authorize in a two-week period is 120 hours per child.

Subp. 7. **Child care assistance for nonpostsecondary programs.** The local agency must authorize child care assistance necessary to permit a caregiver with an approved employability plan to complete remedial or basic education or English as a second language instruction, or a program leading to a GED or high school diploma. Child care assistance authorized under this subpart shall be excluded from the time limit under subpart 8 unless the basic or remedial program or English as a second language instruction is taken concurrently with a postsecondary program.

Subp. 8. **Maximum child care assistance for a postsecondary education program.** A caregiver with an approved employability plan is eligible for a maximum of 48 months of child care assistance for education or training. A caregiver with a baccalaureate degree may obtain child care assistance for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.

Subp. 9. **Child care during employment.** Subject to the child care limitation in subpart 6, the local agency shall authorize child care assistance during employment as provided in items A and B.

A. When the caregiver works for an hourly wage and the hourly wage is equal to or greater than the applicable minimum wage, child care assistance shall be provided for the actual hours of employment, break and meal time during employment, and travel time up to two hours per day.

B. When the caregiver does not work for an hourly wage, child care assistance shall be provided for the lesser of:

(1) an amount of child care determined by dividing gross earned income by the applicable minimum wage, plus one hour every eight hours for meal and break time, plus up to two hours per day for travel time; or

(2) an amount of child care equal to the actual amount of child care used during employment, including break and meal time during employment, and travel time up to two hours per day.

Subp. 10. **Child care in support of employment.** The local agency may authorize child care assistance in support of employment for nonwork hours when all of the following conditions exist:

A. child care assistance is not provided during employment under subpart 9;

B. the caregiver is complying with the caregiver's employability plan, if applicable;

C. the caregiver cannot reasonably modify the caregiver's nonwork schedule to provide child care; and

D. the child care assistance does not exceed the amount of assistance that would be granted under subpart 9 during employment.

Subp. 11. **Sick child care, child absence, or medical leave.** The local agency may authorize child care assistance for sick child care, child absence, or medical leaves of absence based on policies the local agency has established under part 9565.5080, subparts 4 to 6.

Subp. 12. **Local agency approval of child care.** Child care assistance must be approved by the local agency before payments are made under MFIP. The local agency may authorize child care under subparts 7 to 11 on an hourly, half-day, full-day, or weekly basis. Combinations of hourly, half-day, or full-day child care may be paid when 11 or more hours of child care are authorized in a 24-hour period or when multiple providers are used.

Subp. 13. **Standard for converting authorized care into hours used.** For purposes of converting child care assistance authorized on a half-day, full-day, or weekly basis, the local agency shall use the standards in items A to C.

A. When a local agency authorizes child care assistance on a half-day basis, one half day is equal to five hours of child care.

B. When a local agency authorizes child care assistance on a full-day basis, one full day is equal to ten hours of child care.

C. When a local agency authorizes child care assistance on a weekly basis, one week is equal to 50 hours of child care.

Subp. 14. **Selection of provider.** Caregivers may choose providers who best meet the needs of the caregiver's family subject to the limitation in *Minnesota Statutes*, section 256H.10, subdivision 5, governing unsafe providers.

Subp. 15. **Registration of legal nonlicensed provider.** Before a local agency makes a child care payment to a legal nonlicensed provider, the legal nonlicensed provider must be registered with the local agency under part 9565.5110, subpart 2c. After the registration requirement for a legal nonlicensed provider is satisfied, payment shall be made retroactive to the beginning date of autho-

alized child care for employment, education, or training; the date the child care application was signed; or the date the family began using the legal nonlicensed provider, whichever is later.

Subp. 16. **Payment option.** The local agency may make child care payments for allowable child care expenditures to a provider or caregiver. The local agency must establish appropriate documentation procedures to ensure that child care expenses were incurred.

Subp. 17. **Vendor payment.** If the method of child care payment is vendor payment, the local agency must inform both the caregiver and the provider of the payment amount and how and when payment will be made. When a local agency sends a caregiver a notice that child care assistance will be terminated, the local agency must inform the vendor that unless the caregiver requests to continue to receive child care assistance pending an appeal, child care payments will no longer be made. The notice to a vendor must not contain any private data on the caregiver or information on why payments will no longer be made, except that the notice must identify the caregiver and the date that MFIP payment will terminate.

Subp. 18. **Maximum child care payments.** Child care assistance payments may not exceed the 75th percentile rate for like care arrangements in the county as determined under part 9565.5100. Payment of provider rates that exceed the 75th percentile is the responsibility of the caregiver. If the caregiver selects a provider who charges for child care on a basis greater than the amount of child care authorized by the local agency, the caregiver is responsible for the cost of the child care that exceeds the amount authorized by the local agency. When a provider's rate is less than the 75th percentile, the local agency must pay the provider's rate. Payment of registration and activities fees are governed by the standards in part 9565.5100.

Subp. 19. **Caregiver reporting requirements.** A caregiver must notify the local agency responsible for the payment of child care assistance of a change in:

- A. marital or household status;
- B. address;
- C. employment, education, or training status; or
- D. provider.

A change in provider is subject to local agency approval before payment of child care assistance. A change must be reported within ten calendar days after the change. A caregiver's failure to report a change under items A to D is just cause for the local agency to terminate child care assistance.

Subp. 20. **Overpayment of child care assistance due to caregiver error or failure to report.** When an overpayment of child care assistance occurs due to caregiver error or failure to report a change, the child care assistance is subject to recovery. The local agency must recover overpayments that occurred up to 12 months before the month the overpayment is discovered according to part 9565.5110, subpart 11, items A to C. A local agency may pursue recovery of an overpayment that extends beyond the 12-month period through means of collection other than recoupment.

Subp. 21. **Transition year child care.** A family that leaves MFIP due to increased earnings is eligible for transition year child care under part 9565.5065. For purposes of transition year child care, the terms AFDC and MFIP have the same meaning. For purposes of determining transition year child care eligibility, part 9565.5065, subpart 2, item D, does not apply to former MFIP participants.

Subp. 22. **Basic sliding fee program.** When a family loses MFIP eligibility or leaves an MFIP county and the family is not eligible for AFDC child care or transition year child care, the local agency must inform the family of the basic sliding fee program under parts 9565.5000 to 9565.5200. A former MFIP family that applies for child care assistance under the basic sliding fee program must meet basic sliding fee program requirements under parts 9565.5000 to 9565.5200.

Subp. 23. **Waiting list, transfer of transition year families to the basic sliding fee program.** The local agency shall place MFIP transition year families on the county's basic sliding fee program waiting list according to the priority in *Minnesota Statutes*, section 256H.03, subdivision 2b, effective the earliest of the following dates:

- A. the date the family became eligible for transition year child care assistance;
- B. the date the family began using MFIP child care for the purpose of employment;
- C. the date the family began using MFIP child care to comply with activities in an employability plan;

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- D. the date the family began participating in the ACCESS program; or
- E. the date the family enrolled in Project STRIDE.

If an MFIP transition year family moves to a new county, the waiting list date established under items A to E transfers with the family. If an MFIP transition year family comes to the top of a county's basic sliding fee program waiting list before the MFIP transition year ends, the county must encumber basic sliding fee program funds for those months remaining in the state fiscal year after the MFIP transition year ends. When the MFIP transition year ends, the county must move the transition year family into the basic sliding fee program. An MFIP transition year family that does not come to the top of a county's basic sliding fee program waiting list before completion of the MFIP transition year shall be moved into the basic sliding fee program as funding becomes available according to the priority under *Minnesota Statutes*, section 256H.03, subdivision 2b.

Subp. 24. Federal funding. Local agencies shall claim, in the manner prescribed by the commissioner, federal funding for child care expenditures for all eligible MFIP caregivers who are in employment, education, training, or other preemployment activities allowed under federal grant and reimbursement programs.

Subp. 25. Termination of child care assistance if MFIP is terminated. Notwithstanding subparts 3 and 4, if MFIP is terminated by the state or federal government during the field trial, child care assistance authorized under this part is also terminated effective the date of MFIP termination. If the MFIP caregiver is eligible for child care assistance under another child care program and funding is available, the local agency must transfer the caregiver to another child care assistance program.

9500.4280 APPLICANT AND PARTICIPANT RESPONSIBILITIES.

Subpart 1. Applicant reporting requirements. An applicant must provide information on an application form and supplemental forms about the applicant's circumstances which affect MFIP eligibility or the assistance payment. An applicant must report changes identified in subpart 9 while the application is pending. When an applicant does not accurately report information on an application, both an overpayment and a referral for a fraud investigation may result. When an applicant does not provide information or documentation, the receipt of the assistance payment may be delayed or the application may be denied depending on the type of information required and its effect on eligibility.

Subp. 2. Requirement to apply for other benefits. An applicant or participant must apply for benefits from other programs for which the applicant or participant is potentially eligible and which would, if received, offset assistance payments. An applicant's or participant's failure to complete application for these benefits without good cause results in denial or termination of assistance. Good cause for failure to apply for these benefits is allowed when circumstances beyond the control of the applicant or participant prevent the applicant or participant from making an application.

Subp. 3. Responsibility to inquire. An applicant or participant who does not know or is unsure whether a given change in circumstances will affect the applicant's or participant's MFIP eligibility or assistance payment must contact the local agency for information.

Subp. 4. Participant's completion of recertification of eligibility form. A participant must complete forms prescribed by the commissioner which are required for recertification of eligibility according to part 9500.4090, subpart 6.

Subp. 5. Monthly MFIP household reports. Each assistance unit with a member who has earned income or a recent work history, and each assistance unit that has income allocated to it from a financially responsible person living with that unit who has earned income or a recent work history, must complete a monthly MFIP household report form. "Recent work history" means the individual received earned income in the report month or any of the previous three calendar months even if the earnings are excluded. To be complete, the MFIP household report form must be signed and dated by the caregiver no earlier than the last day of the reporting period. All questions required to determine assistance payment eligibility must be answered, and documentation of earned income must be included.

Subp. 6. Six-month MFIP household report. Assistance units that are not required to report monthly under subpart 5 must complete an MFIP household report form every six months. To be complete, the MFIP household report form must be signed and dated by the caregiver no earlier than the last day of the reporting period. All questions required to determine assistance payment eligibility must be answered and documentation of earned income must be included.

Subp. 7. Due date of MFIP household report. The caregiver must submit the MFIP household report form in time for the local agency to receive it by the eighth calendar day of the month following the reporting period covered by the form. When the eighth calendar day of the month falls on a weekend or holiday, the caregiver must submit the MFIP household report form in time for the local agency to receive it by the first working day that follows the eighth calendar day. When the MFIP household report form is late without good cause, the local agency must send a notice of termination because of a late or incomplete MFIP household report form.

Subp. 8. Late MFIP household report forms. Items A to C apply to the reporting requirements in subpart 7.

- A. When a caregiver submits an incomplete MFIP household report form before the last working day of the month on which

a ten-day notice of termination of assistance can be issued for failure to provide a complete MFIP household report form, the local agency must return the incomplete form on or before the ten-day notice deadline, or any ten-day notice of termination which is issued due to the incomplete MFIP household report form is invalid.

B. When a complete MFIP household report form is not received by a local agency before the last ten days of the month in which the form is due, the local agency must send a notice of proposed termination of assistance. When a caregiver submits an incomplete form on or after the date a notice of proposed termination has been sent, the termination is valid unless the caregiver submits a complete form before the end of the month. However, an assistance unit required to submit an MFIP household report form is considered to have continued its application for assistance if a complete MFIP household report form is received within a calendar month after the month in which assistance was received and assistance shall be paid for the period beginning with the first day of the month in which the report was due.

C. A local agency must allow good cause exemptions from the reporting requirements under subparts 5 and 6 when any of the following factors cause a caregiver to fail to provide the local agency with a completed MFIP household report form before the end of the month in which the form is due:

- (1) an employer delays completion of employment verification;
- (2) a local agency does not help a caregiver complete the MFIP household report form when the caregiver asks for help;
- (3) a caregiver does not receive an MFIP household report form due to mistake on the part of the department or the local agency or due to a reported change in address;
- (4) a caregiver is ill, or physically or mentally incapacitated; or
- (5) some other circumstance occurs that a caregiver could not avoid with reasonable care which prevents the caregiver from providing a completed MFIP household report form before the end of the month in which the form is due.

Subp. 9. **Changes that must be reported.** A caregiver must report the changes or anticipated changes specified in items A to P within ten days of the date they occur, within ten days of the date the caregiver learns that the change will occur, at the time of the periodic recertification of eligibility under part 9500.4090, subpart 6, or within eight calendar days of a reporting period as in subpart 5 or 6, whichever occurs first. A caregiver must report other changes at the time of the periodic recertification of eligibility under part 9500.4090, subpart 6, or at the end of a reporting period under subpart 5 or 6, as applicable. A caregiver must make these reports in writing or in person to the local agency. When a local agency could have reduced or terminated assistance for one or more payment months if a delay in reporting a change specified under items A to P had not occurred, the local agency must determine whether a timely notice under part 9500.4290, subpart 4, could have been issued on the day that the change occurred. When a timely notice could have been issued, each month's overpayment subsequent to that notice must be considered a client error overpayment under part 9500.4170. Changes in circumstances which must be reported within ten days must also be reported on the MFIP household report form for the reporting period in which those changes occurred. Within ten days, a caregiver must report:

- A. a change in initial employment;
- B. a change in initial receipt of unearned income;
- C. a recurring change in unearned income;
- D. a nonrecurring change of unearned income that exceeds \$30;
- E. the receipt of a lump sum;
- F. an increase in resources which may cause the assistance unit to exceed resource limits;
- G. a change in the physical or mental status of an incapacitated adult if the physical or mental status is the basis of exemption from a MFIP work and training program;
- H. a change in employment status;
- I. a change in household composition, including births, returns to and departures from the home of assistance unit members and financially responsible persons, or a change in the custody of a minor child;
- J. a change in health insurance coverage;
- K. the marriage or divorce of an assistance unit member;

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- L. the death of a parent, minor child, or financially responsible person;
- M. a change in address or living quarters of the assistance unit;
- N. the sale, purchase, or other transfer of property;
- O. a change in school attendance of a custodial parent or an employed child; and
- P. filing a lawsuit, a workers' compensation claim, or a monetary claim against a third party.

Subp. 10. **Cooperation with child support enforcement.** The caregiver of a minor child must cooperate with the efforts of the local agency to collect child and spousal support.

A. A caregiver must assign the right to collect past due, current, and future support to the local agency. Signing an application form satisfies this requirement under *Minnesota Statutes*, section 256.74, subdivision 5. The assignment of support ends with the last day of the last month in which a minor child receives assistance. When assistance ends, a local agency has the right to any unpaid support for the period in which assistance was received.

B. A caregiver must provide information known to the caregiver about an absent parent and requested by either the local agency or the child support enforcement unit, that is required to establish paternity or secure support and available health care benefits for the minor child, unless the caregiver has good cause for refusing to cooperate under subpart 12.

C. When the paternity of a minor child is not established under law, a caregiver must cooperate with the child support enforcement unit to determine and establish the child's paternity unless the caregiver has good cause for refusing to cooperate under subpart 12.

D. A caregiver must forward to the local agency all support the caregiver receives during the period the assignment of support is in effect according to item A. Support received by a caregiver, and not forwarded to the local agency, must be repaid to the child support enforcement unit for any month following the month in which initial eligibility is determined, except as provided under subpart 11, item B, subitem (4).

Subp. 11. **Refusal to cooperate with support requirements.** Failure by a caregiver to satisfy any of the requirements of subpart 10 constitutes refusal to cooperate, and the sanctions under item B apply.

A. The local agency must determine whether a caregiver has refused to cooperate within the meaning of subpart 12. Before making this determination, the local agency must:

- (1) allow the child support enforcement unit to review and comment on the findings and basis for the proposed determination of noncooperation;
- (2) consider any recommendations from the child support enforcement unit; and
- (3) allow the child support enforcement unit to appear at a hearing under part 9500.4260 that results from an appeal of a local agency action involving cooperation with child support enforcement under subpart 12.

B. Determinations of refusal to cooperate shall have the effects listed in subitems (1) to (4).

- (1) A parent caregiver who refuses to cooperate must be sanctioned as provided in part 9500.4250.
- (2) A caregiver who is not a parent of a minor child in an assistance unit may choose to remove that child from the assistance unit unless otherwise required by federal or state law.
- (3) A parental caregiver who refuses to cooperate is ineligible for medical assistance.
- (4) Direct support retained by a caregiver must be counted as unearned income when determining the amount of the assistance payment.

Subp. 12. **Good cause exemption from cooperating with support requirements.** Before requiring a caregiver to cooperate, a local agency must notify the caregiver that the caregiver may claim a good cause exemption from cooperating with the requirements in items B to D, under the conditions specified in *Code of Federal Regulations*, title 45, subtitle B, chapter II, part 232, sections 232.12 and 232.40 to 232.49, at the time of application or at any subsequent time. When a caregiver submits a good cause claim in writing, action related to child support enforcement must stop. The caregiver must submit evidence of a good cause claim to the local agency within 20 days of submitting the claim.

A. Good cause exists when a caregiver documents that:

- (1) a minor child for whom child support enforcement is sought was conceived as the result of incest or rape;
- (2) legal proceedings for the adoption of a minor child are pending before a court of competent jurisdiction; or
- (3) a parent caregiver is receiving services from a licensed adoption agency to determine whether to keep the child or relinquish the child for adoption, and the services have not been provided for longer than three months.

B. Good cause exists when a caregiver documents that the caregiver's cooperation would not be in the best interest of the minor child because the cooperation could result in:

(1) physical harm to the child;

(2) emotional impairment of the child which would substantially affect the child's functioning; or

(3) physical harm to or emotional impairment of the caregiver which would substantially affect the caregiver's functioning and reduce the caregiver's ability to adequately care for the child.

C. When a caregiver has difficulty obtaining evidence of a good cause claim, the local agency must help the caregiver obtain it. When a local agency requires additional evidence to make a determination on the claim for good cause, the local agency must notify the caregiver that additional evidence is required, explain why the additional evidence is required, identify what form this evidence might take, and specify an additional period that will be allowed to obtain it.

D. A local agency must determine whether good cause exists based on the weight of the evidence.

E. Once a local agency determines that good cause exists for a caregiver, the exemption from cooperating under subpart 10, items B and C, must remain in effect for the period the minor child remains eligible under that application, except for subitems (1) to (4).

(1) A good cause exemption allowed because a child was conceived as the result of incest or rape must continue until a subsequent acknowledgment of paternity or an application for adoption by a second parent is submitted for that child.

(2) A good cause exemption allowed because of adoption proceedings must be issued for a fixed period of time based on the expected time required to complete adoption proceedings. The exemption must be extended when the required time is longer than was anticipated and must stop when adoption proceedings are discontinued or completed.

(3) A good cause exemption allowed because of adoption counseling must last no more than three months from the time the counseling began.

(4) A good cause exemption must be allowed under subsequent applications and recertifications of eligibility without additional evidence when the factors that led to the exemption continue to exist. A good cause exemption allowed under item B must end when the factors that led to allowing the exemption have changed.

F. A good cause exemption which has been allowed by a local agency for a caregiver must be honored by the local agency in the new county of residence when the caregiver moves into that county until the factors that led to allowing the exemption change.

G. When a local agency denies a claim for a good cause exemption, the local agency shall require the caregiver to submit additional evidence in support of a later claim for a good cause exemption before the local agency terminates actions to enforce child support under this subpart.

H. Following a determination that a caregiver has good cause for refusing to cooperate, a local agency shall take no further action to enforce child support until the good cause exemption ends according to item E.

Subp. 13. Cooperation with health care benefits. The caregiver of a minor child must cooperate with the local agency to identify and provide information to assist the local agency in pursuing third-party liability for medical services.

A. A caregiver must assign to the department any rights to health insurance policy benefits the caregiver has during the period of MFIP eligibility.

B. A caregiver must identify any third party who may be liable for care and services available under the medical assistance program on behalf of the applicant or participant and all other assistance unit members.

C. When a participant refuses to assign the rights to the department, or when a participant refuses to identify any third party who may be liable for care and services, the caregiver's MFIP assistance payment is subject to a ten percent sanction and the caregiver is ineligible for medical assistance.

9500.4290 APPLICANT AND PARTICIPANT RIGHTS AND LOCAL AGENCY RESPONSIBILITIES.

Subpart 1. Right to information. An applicant or participant has the right to obtain from the local agency information about the benefits, requirements, restrictions, and appeal provisions of public assistance programs.

Subp. 2. Right to authorized representative. An applicant or participant has the right to designate an authorized representative

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to act on the applicant's or participant's behalf. An applicant or participant has the right to be assisted or represented by an authorized representative in eligibility determinations, recertification, conciliation conferences, the fair hearing process, and any other contacts with the local agency or the department.

When a local agency determines that it is necessary for a person to assist an applicant or participant, the local agency must designate a staff member to assist the applicant or participant.

Upon a request from an applicant or participant, a local agency must provide addresses and telephone numbers of organizations that provide legal services at low cost or no cost to low-income persons.

Subp. 3. Right of applicant to notice. A local agency must notify an applicant of the disposition of the applicant's application. The notice must be in writing and on forms prescribed by the commissioner. The local agency must mail the notice to the last known mailing address provided by the applicant. When an application is denied, the local agency must notify the applicant in writing of the reasons for the denial, of the right to appeal, and of the right to reapply for assistance.

Subp. 4. Participant's right to notice. A local agency must give a participant written notice of all adverse actions affecting the participant including payment reductions, suspensions, terminations, and use of protective, vendor, or two-party payments. The notice of adverse action must be on a form prescribed or approved by the commissioner and must be mailed to the last known mailing address provided by the participant. The local agency must state on the notice of adverse action the action it intends to take, the reasons for the action, the participant's right to appeal the action, the conditions under which assistance can be continued pending an appeal decision, and the related consequences of the action.

Subp. 5. Mailing of notice. The notice of adverse action must be issued according to items A to C.

A. A local agency must mail a notice of adverse action at least ten days before the effective date of the adverse action, except as provided in items B and C.

B. A local agency must mail a notice of adverse action at least five days before the effective date of the adverse action when the local agency has factual information that requires an action to reduce, suspend, or terminate assistance based on probable fraud.

C. A local agency must mail a notice of adverse action before or on the effective date of the adverse action when:

(1) the local agency receives the caregiver's monthly MFIP household report form that includes information that requires payment reduction, suspension, or termination and that contains the caregiver's signed acknowledgment that the caregiver understands that this information will be used to determine MFIP eligibility or the assistance payment amount;

(2) the local agency is informed of the death of a participant or the payee. The local agency must verify the death if it is reported by someone other than the payee;

(3) the local agency receives a signed statement from the caregiver that assistance is no longer wanted;

(4) the local agency receives a signed statement from the caregiver that provides information that requires the termination or reduction of assistance, and the caregiver shows in that statement that the caregiver understands the consequences of providing that information;

(5) the local agency verifies that a member of the assistance unit is hospitalized and does not qualify under part 9500.4060, subpart 4, item C, subitem (1);

(6) the local agency verifies that a member of the assistance unit has entered a state hospital or a licensed residential facility for medical or psychological treatment or rehabilitation;

(7) the local agency verifies that a member of an assistance unit has been approved to receive assistance by another county or state;

(8) the local agency verifies that a member of an assistance unit has been placed in foster care; or

(9) the local agency cannot locate a caregiver's whereabouts and mail from the local agency has been returned by the post office showing that the post office has no forwarding address.

Subp. 6. Conciliation conferences. A participant has a right to a conciliation conference as set forth in part 9500.4240.

Subp. 7. Appeal rights. An applicant, participant, or former participant has the right to request a fair hearing when aggrieved by an action or inaction of a local agency. A request for a fair hearing and rights pending a fair hearing are set forth in part 9500.4260.

Subp. 8. Case records available. A local agency must make financial case records available to the participant or former participant as soon as possible, but no later than the fifth business day following the date of the request. When the participant or former participant asks for photocopies of material from the financial case record, the local agency must provide one copy of each page at no cost.

Subp. 9. **Right to manage affairs.** Except for protective payment provisions authorized under part 9500.4180, subpart 2, participants have the right to manage their own affairs.

Subp. 10. **Right to protection.** Minor caregivers have the right to protection. The local agency must refer a minor caregiver to the social service unit within 30 days of the date the application is approved. The social service unit must assist the minor caregiver to develop a social service plan as specified in *Minnesota Statutes*, section 257.33, subdivision 2. The social service plan must take into consideration:

- A. the age of the minor caregiver;
- B. the involvement of the minor caregiver's parents or other adults who provide active, ongoing guidance, support, and supervision;
- C. the involvement of the noncustodial parent, including steps being taken to establish paternity, if appropriate;
- D. completion of high school or a GED;
- E. parenting skills of the minor caregiver;
- F. the living arrangement of the minor caregiver and child;
- G. child care and transportation needed for education, training, or employment;
- H. ongoing health care; and
- I. other services needed to address personal and family problems and to facilitate the personal growth and development and economic self-sufficiency of the minor caregiver and the child.

9500.4300 SUPPORT FROM PARENTS OF MINOR CAREGIVERS LIVING APART.

Subpart 1. **General provisions.** A parent who lives outside the home of a minor child who is an unemancipated minor caregiver of an assistance unit is financially responsible for that minor caregiver unless the parent is a recipient of public assistance, SSI, MSA, medical assistance, general assistance, or general assistance medical care, and a court order does not otherwise provide a support obligation.

Subp. 2. **Amount of support payment.** The amount of support to be paid by a parent, except a parent specified in subpart 4, must be determined according to items A to F.

A. A minor caregiver must provide information required by the local agency to identify the whereabouts of the minor caregiver's absent parent or parents.

B. A local agency must notify an absent parent of the parent's legal responsibility to support a minor caregiver and shall request that the absent parent provide the following:

- (1) the amount of the parent's earned and unearned income for the previous tax year;
- (2) the amount of the parent's earned and unearned income for the current month;
- (3) the number and names of dependents who are claimed or could be claimed by the parent on federal income tax forms;
- (4) the amount of annual medical bills paid by the parent;
- (5) the amount of annual housing costs paid by the parent;
- (6) the costs for utilities and repairs to the home which are paid by the parent; and
- (7) the amount of annual educational costs for family members paid by the parent.

C. When a parent of a minor caregiver does not provide the information requested under item B, the local agency must refer the matter to the county attorney. Assistance to the minor caregiver must not be denied, delayed, reduced, or ended because of the lack of cooperation of the minor caregiver's parent.

D. When the information requested under item B is received by a local agency, the local agency must compare the parent's income against the scale set forth in part 9500.2760, subpart 2, item D, using the conditions and procedures specified in item E.

E. The parent's income is the parent's gross earned income plus unearned income, determined by the methods in part 9500.4080. To determine family size, each person claimed or who could be claimed by a parent as a dependent on federal income

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tax forms, exclusive of the minor caregiver, must be included. A deduction from income must be allowed for the amount that medical, educational, and housing costs together exceed 30 percent of the parent's income. When the amount of income, after the allowable deduction, exceeds the annual income level in item D, a parent is liable to pay one-third of the excess for the annual support of the minor caregiver. These payments must be paid monthly to the minor caregiver or to the local agency on behalf of the minor caregiver.

F. A local agency must notify the parents of the minor caregiver that they are liable for the amount of support determined by the local agency as specified in item E. When the support payment is received by the minor caregiver, it must be treated as unearned income of the assistance unit. When the support payment is not received, or a lesser amount is received in any payment month, the local agency must refer the matter to the county attorney.

Subp. 3. **Reviews.** A local agency must review financial responsibility every 12 months until minor caregivers reach the age of 18 or are otherwise emancipated. When a parent reports a change in circumstances, the local agency must review the required amount of payment within ten calendar days.

Subp. 4. **Parents under court order for support.** A parent who is required under an existing court order issued under some other authority in state or federal law to pay child support for a minor caregiver is subject to the conditions of that order in lieu of the requirements and contribution levels in subpart 2.

9500.4310 WRONGFULLY OBTAINED ASSISTANCE.

Subpart 1. **Applicability to other laws.** This part outlines procedures that apply to assistance that is wrongfully obtained under MFIP. The procedures in this part may be used in combination with other established civil and criminal procedures and law.

Subp. 2. **Responsibility of local agency to act.** In response to welfare fraud allegations received by a local agency, the local agency shall take any or all of the actions in items A to C.

A. A local agency must refer cases of suspected welfare fraud to the person or unit designated by the county board for investigation of welfare fraud.

B. A local agency must issue notice under part 9500.4290, subpart 4, to reduce or end assistance when the local agency receives facts which show that an assistance unit is not eligible for assistance or for the amount of assistance currently being received.

C. A local agency must refer cases of probable welfare fraud to the county attorney.

Subp. 3. **Continued MFIP eligibility during fraud investigation.** A local agency must issue assistance for the remaining members of the assistance unit with the exception of the person who was found guilty through court action or through an administrative disqualification hearing to have committed welfare fraud in an earlier period. If MFIP eligible, the local agency must issue assistance to the assistance unit currently under fraud investigation, subject to subpart 2.

Subp. 4. **Recoupment and recovery of wrongfully obtained assistance.** A local agency must recoup or attempt recovery of wrongfully obtained assistance. The amount recouped or recovered must not be more than the amount wrongfully obtained unless it is based on a court judgment. A local agency may seek voluntary repayment or recoup wrongfully obtained assistance according to the procedures in part 9500.4170, subpart 3 or 4, until the full amount of wrongfully obtained assistance is repaid. If the local agency is unable to obtain voluntary repayment or recoup the assistance according to part 9500.4170, the local agency must initiate civil court proceedings to recover any unpaid balance of the wrongfully obtained assistance.

Subp. 5. **Reporting requirement.** A local agency shall gather and report statistical data required by the commissioner on local agency activities to prevent welfare fraud.

9500.4320 RELATIONSHIP TO OTHER PROGRAMS.

Subpart 1. **Medical assistance; applicants.** An applicant may qualify to receive retroactive medical assistance benefits for up to three months before the month of application. An applicant must provide information about health insurance and other medical coverage held by or available to the applicant, including pending lawsuits or claims for medical costs. An applicant who is a policyholder of health insurance must assign to the department any rights to policy benefits the applicant has during the period of medical assistance eligibility. When an applicant refuses to assign the rights to the department, the caregiver's MFIP assistance payment must be reduced resulting in a ten percent sanction and the caregiver is ineligible for medical assistance. An application is used to determine retroactive medical assistance eligibility and to establish current eligibility for medical assistance according to items A and B.

A. When a person applies for MFIP, the local agency must inform the applicant of the existence of retroactive medical assistance and must determine eligibility for retroactive medical assistance when the applicant requests it.

B. When a local agency approves an application for assistance, the effective date of medical assistance eligibility must be the first day of the month in which MFIP eligibility begins, unless eligibility exists for medical assistance under item A. When a local

agency denies cash assistance and medical assistance is requested, the local agency must accept a medical assistance application. The local agency must use the date of application for cash assistance as the date of application for medical assistance or general assistance medical care.

Subp. 2. Medical assistance; participants. A participant shall receive medical assistance according to items A to F.

A. A local agency must reimburse or issue direct payment to a participant for transportation costs for medical care from medical assistance administrative funds.

B. A local agency must not recover amounts for ineligible medical assistance claims or payments from the monthly assistance payment.

C. A participant must inform the state and local agency pursuant to *Minnesota Statutes*, sections 256.015, 256B.042, and 256B.37, of injuries for which a third-party payor may be liable for payment of medical costs.

D. A participant who is a policyholder of health insurance must assign to the department any rights to policy benefits the participant has during the period of medical assistance eligibility.

E. A local agency shall allow a participant eligibility for medical assistance for months during which monthly assistance payments are suspended due to increased earned income.

F. A local agency shall offer services through the early childhood health and developmental screening program on behalf of each applicant or participant who is less than 21 years of age, according to parts 9505.1693 to 9505.1748.

Subp. 3. Medical assistance; terminations of assistance. A local agency must continue medical assistance when the assistance unit continues to include at least one minor child and MFIP cash assistance ends according to items A to C.

A. When MFIP cash assistance ends solely due to increased child or spousal support and MFIP or AFDC was received in at least three of the six months immediately preceding the month in which ineligibility begins, medical assistance eligibility must be continued for four months beginning the first month the assistance unit is ineligible for MFIP.

B. When MFIP cash assistance ends due to increased earned income and MFIP or AFDC was received in at least three of the six months immediately preceding the month in which ineligibility begins, medical assistance must continue for the assistance unit for six months beginning the first month the assistance unit is ineligible for MFIP. Assistance units who have six months of extended medical assistance may receive an additional six months if:

(1) the assistance unit returns a quarterly report verifying gross earned income and child care costs by the 21st day of the fourth, seventh, and tenth month;

(2) an eligible caregiver has earned income or good cause for unemployment in each month; and

(3) the average monthly gross earned income less actual child care costs necessary for employment is at or below 185 percent of the federal poverty guideline for that size assistance unit.

C. When assistance is ended due to applying the income from stepparents or parents of minor caregivers to the need of an assistance unit, the local agency must provide the participant with an MFIP termination notice that allows one month of medical assistance after assistance ends. To continue eligibility for medical assistance beyond the one month, eligibility must be established under parts 9505.0010 to 9505.0150.

Subp. 4. Medical assistance; sanctions. Caregivers are not eligible for medical assistance for any period in which the caregiver fails to cooperate with the third-party payor requirements in subpart 2, item C, or the child support provisions in part 9500.4280, subpart 10.

Subp. 5. Social services. The local agency shall refer a participant for social services that are offered in the county of financial responsibility according to the criteria established by that local agency under parts 9550.0010 to 9550.0092. A payment issued from title XX, child welfare funds, or county funds in a payment month must not restrict MFIP eligibility or reduce the monthly assistance payment for that participant.

Subp. 6. Concurrent eligibility, limitations. A local agency must not count an applicant or participant as a member of more than one assistance unit in a given payment month, except as provided in items A to C.

A. An applicant who receives assistance in a state other than Minnesota may be eligible in the first month of application at

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MFIP payment standards. An assistance payment from another state must be the last payment received from that state and is considered unearned income when determining the assistance payment issued under MFIP.

B. A participant who is a member of an assistance unit in Minnesota is eligible to be included in a second assistance unit in the first full month that the participant lives with a second assistance unit.

C. An applicant whose needs are met through foster care under title IV-E for the first part of an application month is eligible to receive assistance for the remaining part of the month in which the applicant returns home. Title IV-E payments and assistance payments must be considered prorated payments rather than a duplication of MFIP need.

Subp. 7. **Emergency assistance, assistance unit with a minor child.** An MFIP assistance unit with a minor child is eligible for emergency assistance when the assistance unit meets the requirements in part 9500.2820.

Subp. 8. **Emergency general assistance, pregnant woman without a minor child.** A pregnant woman without a minor child is eligible for emergency general assistance when the pregnant woman meets the requirements in part 9500.1261.

9500.4330 COUNTY OF RESPONSIBILITY POLICIES.

Subpart 1. **Determining the county of financial responsibility.** The county of financial responsibility is the county in which a minor child lives on the date the application is signed, unless subpart 4 applies. The county in which a pregnant woman in the third trimester of pregnancy lives on the date the application is signed is the county of financial responsibility unless subpart 4 applies. When more than one county is financially responsible for the members of an assistance unit, financial responsibility must be assigned to a single county beginning the first day of the calendar month after the assistance unit members are required to be in a single assistance unit. Financial responsibility must be assigned to the county that was initially responsible for the assistance unit member with the earliest date of application. The county in which the assistance unit is currently residing becomes financially responsible for the entire assistance unit beginning two full calendar months after the month in which financial responsibility was consolidated in one county.

Subp. 2. **Change in residence.** This subpart applies when a participant has a change of residence.

A. When an assistance unit moves from one county to another and continues to receive assistance, the new county of residence becomes the county of financial responsibility when that assistance unit has lived in that county in nonexcluded status for two full calendar months. "Nonexcluded status" means the period of residence that is not considered excluded time under *Minnesota Statutes*, section 256G.02, subdivision 6. When a minor child moves from one county to another to reside with a different caregiver, the caregiver in the former county is eligible to receive assistance for that child only through the last day of the month of the move. The caregiver in the new county becomes eligible to receive assistance for the child the first day of the month following the move or the date of application, whichever is later.

B. When a participant moves from one MFIP county to another MFIP county, eligibility for assistance is not affected unless eligibility factors are affected in the move. A local agency must not require a participant to reestablish MFIP eligibility as a new applicant for assistance solely because a participant moves.

C. When a participant moves from an MFIP county to a non-MFIP county, eligibility for assistance is affected. MFIP will remain open for two months and will be provided by the original county. Before the two-month transition period ends, the former participant must submit an application for assistance and establish eligibility for AFDC, family general assistance, or food stamps in the new county.

D. The requirements in subitems (1) to (3) apply when a participant moves from one county to another.

(1) When a participant informs the local agency in the current county of residence of a planned move, the local agency in that county must forward to the local agency in the county of planned residence the information from the financial case record which the county of planned residence needs to redetermine public assistance eligibility and to determine the amount of the assistance payment.

(2) When a participant informs the new county of residence that the participant has entered the county as a current participant, the new county must obtain from the county from which the participant moved the information from the financial case record that it needs to redetermine public assistance eligibility and determine the amount of the assistance payment.

(3) When a participant does not inform either county that the move has occurred before the mailing of the next assistance payment and when the whereabouts of a participant are unknown, the county of financial responsibility must end assistance. If a participant reapplies in another MFIP county within 30 calendar days of termination and is eligible, assistance is considered to be uninterrupted for the determination of the county of financial responsibility for members of the assistance unit. This payment must be issued by the county of financial responsibility until the participant has lived in the new county for two full calendar months.

E. When an applicant moves from one county to another while the application is pending, the county where application first occurred is the county of financial responsibility until the applicant has lived in the new county for two full calendar months, unless

the applicant's move is covered under subpart 4. The county of residence must be an MFIP county for eligibility to be established for MFIP regardless of the county of responsibility.

Subp. 3. Responsibility for incorrect assistance payments. A county of residence, when different from the county of financial responsibility, will be charged by the commissioner for the value of incorrect assistance payments and medical assistance paid to or on behalf of a person who was not eligible to receive that amount. Incorrect payments include payments to an ineligible person or family resulting from decisions, failures to act, miscalculations, or overdue recertifications. However, financial responsibility does not accrue for a county when the recertification is overdue at the time the referral is received by the county of residence or when the county of financial responsibility does not act on the recommendation of the county of residence.

When federal or state law requires that medical assistance continue after assistance ends, this subpart also governs financial responsibility for the extended medical assistance.

Subp. 4. Excluded time. When an applicant or participant resides in an excluded time facility as described in *Minnesota Statutes*, section 256G.02, subdivision 6, the county that is financially responsible for the applicant or participant is the county in which the applicant or participant last resided outside such a facility immediately before entering the facility. When an applicant or participant has not resided in Minnesota for any time other than excluded time as defined in *Minnesota Statutes*, section 256G.02, subdivision 6, the county that is financially responsible for the applicant or participant is the county in which the applicant or participant resides on the date the application is signed.

9500.4340 TERMINATION OF MFIP.

Subpart 1. Termination of MFIP. If major and unpredicted costs occur in MFIP, the commissioner may take corrective action consistent with *United States Code*, title 7, chapter 51, section 2031 and title 42, chapter 7, subchapter IV, part A, section 602, note on Demonstration of Effectiveness of Minnesota Family Investment Plan, which may include termination of MFIP. Before taking corrective action, the commissioner must comply with *Minnesota Statutes*, section 256.031, subdivision 3, paragraph (a). If the agreements between the state and federal government under *Minnesota Statutes*, section 256.031, subdivision 5, are canceled, assistance units receiving MFIP must be converted to other assistance programs, if eligible, as provided in subpart 3.

Subp. 2. Notice to participants. If MFIP is terminated by the state or federal government, the commissioner must provide written notice to participants and inform the participants that, if eligible, they will be converted to other assistance programs.

Subp. 3. Conversion to eligible assistance programs. If MFIP is terminated, assistance units receiving assistance under MFIP who are eligible for assistance under the AFDC, general assistance, medical assistance, general assistance medical care, or food stamp programs must be placed, with their consent, on the programs for which they are eligible.

EFFECTIVE DATE. *Minnesota Rules*, parts 9500.4000 to 9500.4340, are effective April 1, 1994.

Department of Labor and Industry

Proposed Permanent Rules Relating to Prevailing Wage; Job Classifications

Notice of Intent to Adopt a Rule Without a Public Hearing

The Department of Labor and Industry intends to adopt a permanent rule without a public hearing following the procedures set forth in the Administrative Procedures Act, *Minnesota Statutes*, sections 14.22-14.28. You have 30 days to submit written comments on the proposed rule and may also submit a written request that a hearing be held on the rule.

Agency Contact Person. Comments or questions on the rule and written requests for a public hearing on the rule must be submitted to:

Mr. Donald Jackman, Director
Minnesota Department of Labor and Industry
Labor Standards Division
443 Lafayette Road
St. Paul, Minnesota 55155
(612) 297-3349

Subject of Rule and Statutory Authority. The proposed rule is about master job classifications for the prevailing wage law,

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Proposed Rules

Minnesota Statutes, sections 177.41-177.44. The statutory authority to adopt this rule is found in *Minnesota Statutes*, sections 14.06, 175.171, and 177.44. A copy of the proposed rule is published in the *State Register* and attached to this notice as mailed.

Comments. You have until 4:30 p.m. February 25, 1994, to submit written comment in support of or in opposition to the proposed rule and part or subpart of the rule. Your comment must be in writing and received by the agency contact person by the due date. Comment is encouraged. Your comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Request for a Hearing. In addition to submitting comments, you may also request that a hearing be held on the rule. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m., February 25, 1994. Your written request for a public hearing must include your name and address. You are encouraged to identify the portion of the proposed rule which caused your request, the reason for the request, and any changes you want made to the proposed rule. If 25 or more persons submit a written request for a hearing, a public hearing will be held unless a sufficient number withdraws their request in writing. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.13 to 14.20.

Small Business Considerations. In preparing these rules the Department of Labor and Industry has considered the requirements of *Minnesota Statutes*, section 14.115 in regard to the impact of the proposed rules on small businesses. The adoption of the rules will not directly affect small businesses. In so far as there is an indirect effect upon small businesses, the effect is out-weighted by the Department's need to define classes of labor and determine prevailing wage rates. The Department's need to define classes of labor and determine prevailing wage rates. The Department's evaluation of small business considerations is further addressed in the Statement of Need and Reasonableness.

Expenditure of Public Money by Local Public Bodies. The total cost to all local public bodies in the state to implement the rules will likely exceed \$100,000 in each of the two years immediately following adoption of the rules. Accordingly, pursuant to *Minnesota Statutes*, section 14.11, subdivision 1, the Department of Labor and Industry estimates that the statewide total for all public bodies to implement the rules will be greater than \$100,000 in each of the two years following adoption of the rules. The basis of this estimate is explained in the Statement of Need and Reasonableness.

Impact on Agriculture Lands. *Minnesota Statutes* section 14.11, subdivision 2, does not apply because adoption of these rules will not have an impact on agricultural land.

Departmental Charges. *Minnesota Statutes*, section 16A.1285, subdivisions 4 and 5 do not apply because the rules do not establish or adjust departmental charges.

Adoption and Review of Rule. If no hearing is required, after the end of the comment period the agency may adopt the rule. The rule and supporting documents will then be submitted to the Attorney General for review as to legality and form to the extent form relates to legality. You may request to be notified of the date the rule is submitted to the Attorney General or be notified of the Attorney General's decision on the rule. If you wish to be so notified, or wish to receive a copy of the adopted rule, submit your request to the agency contact person listed above.

John B. Lennes, Jr.
Commissioner, MnDOLI

Rules as Proposed

5200.1100 MASTER JOB CLASSIFICATIONS.

Subpart 1. **Requirement.** For purposes of parts 5200.1000 to 5200.1120, contractors must use the following codes and classifications in documenting classes of labor.

Subp. 2. Laborers.

Code No.	Position Title
101	Laborer, common (general labor work)
102	Laborer, skilled (assisting skilled craft journeyman)
103	Laborer, Landscaping (gardener, sod layer and nursery operator)
104	Flagperson
105	Watchperson
106	Blaster
107	Pipelayer (water, sewer and gas)
108	Tunnel miner
109	Underground and open ditch laborer (eight feet below starting grade level)

Subp. 3. Power equipment operators.

Code No.	Position Title
201	Air compressor operator
202	Asphalt, bituminous stabilizer plant operator
203	Dragline and/or other similar equipment with shovel type controls
204	Bituminous spreader and finishing operator
205	Bituminous spreader and bituminous finishing machine operator (helper)
206	Conveyor operator
207	Concrete distributor and spreader operator, finishing machine, longitudinal float operator, joint machine or spray operator
208	Concrete saw operator (multiple blade) (power operated)
209	Crushing plant operator (gravel and stone) or gravel washing, Crushing and screening plant operators
210	Curb machine
211	Front end loader operator up to and including one cubic yard <u>and/or attachments</u>
212	Fine grade operator
213	Fork lift operator
214	Front end loader operator, <u>over one cubic yard but less than five cubic yards, and/or attachments</u>
215	Helicopter pilot
216	Fire tender or tank car heater operator
217	Grader or motor patrol, finishing , earthwork and bituminous
218	Grader operator (motor patrol) <u>on designated haul roads only</u>
219	Greaser (truck and tractor)
220	Hoist engineer
221	Self propelled chip spreader
222	Mechanic or welder
223	Oilers (power shovel, crane, dragline)
224	Pick up sweeper
225	Pugmill operator
226	Roller operator, self propelled roller for compaction
227	Roller operator, up to and including six <u>eight</u> tons for bituminous finishing and/or wearing courses
228	Roller operator, over six <u>eight</u> tons for bituminous finishing and/or wearing courses
229	Scraper, 32 cubic yards and over
230	Self propelled vibrating packing operator (pad type)
231	Rubber tired tractor, back hoe attachment
232	Shouldering machine operator (power) (apsco or similar type)
233	Slip form (power-driven) (paving)

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Proposed Rules

Code No.	Position Title
234	Turnapull <u>Scraper operator (or similar type), up to 32 cubic yards</u>
235	Tractor operator, D2, TD6 or similar <u>wheel-type, 50 h.p. with power takeoff or less</u>
236	Tractor operator, over D2, TD6 or similar h.p. with <u>power takeoff bulldozer</u>
237	Power actuated augers and boring machine
238	Truck crane oiler
239	<u>Post driving machines and post hole augers</u>
240	<u>Tower crane</u>
241	<u>Articulated hauler</u>
242	<u>Boom truck</u>
243	<u>Front end loader operator, five cubic yards and over</u>
244	<u>Hydraulic backhoe, crawler type, up to three cubic yards, or other attachments</u>
245	<u>Hydraulic backhoe, crawler type, three cubic yards and over, or other attachments</u>
246	<u>Milling, grinding, and planing machine operator</u>
247	<u>Paving breaker</u>
248	<u>Tractor operator, wheel type, over 50 h.p.</u>
249	<u>Trenching machine</u>
250	<u>Truck or crawler crane operator</u>
251	<u>Air track rock drill</u>
252	<u>Batch plant operator (concrete)</u>
253	<u>Concrete mobile plant operator</u>
254	<u>Power operated sweeper or broom</u>
255	<u>Straight framed off-road trucks</u>
256	<u>Stump and tree chipper operator</u>
257	<u>Tree farmer (forest product machines)</u>
258	<u>Concrete pumper operator, or similar</u>
259	<u>Sheepfoot compactor with blade, 200 h.p. and over</u>

Subp. 4. Truck drivers.

Code No.	Position Title
300	<u>Pilot car driver</u>
301	Bituminous distributor driver
302	Dumper
303	Greaser and truck maintenance worker
304	Self propelled packer operator
305	Truck driver (hauling machinery for contractors own use including operation of hand or power operator winches
306	Single axle or two axle unit
307	Tandem axle or three axle unit
308	Four axle unit
309	Five axle unit
310	<u>Six or more axle unit</u>

Subp. 5. Special crafts.

Code No.	Position Title
401	Asbestos workers
402	Boilermakers
403	Bricklayers
404	Carpenters
405	Carpet layers (linoleum)

Code No.	Position Title
406	Cement masons
407	Electricians
408	Elevator constructors
409	Glaziers
410	Lathers
411	Signaler
412	Ironworkers
413	Lineman
414	Millwright
415	Painters
416	Piledriver
417	Pipefitters - steamfitters
418	Plasterers
419	Plumbers
420	Roofer
421	Sheet metal workers
422	Sprinkler fitters
423	Terrazzo workers
424	Tile setters
<u>425</u>	<u>Drywall taper</u>
<u>430</u>	<u>Communications systems technician</u>
<u>431</u>	<u>Communications systems installer</u>
435	Asbestos abatement worker
<u>436</u>	<u>Sign erector</u>

Wage determinations shall be made for other classifications not listed if such other classifications are in general use in the area being surveyed.

Board of Nursing

Proposed Permanent Rules Relating to Licensure and Registration of Professional and Practical Nurses

Notice of Intent to Adopt Rules Without a Public Hearing

The Minnesota Board of Nursing (hereinafter "Board") intends to adopt and amend permanent rules without a public hearing following the procedures set forth in the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22-14.28. You have 30 days to submit a written request that a hearing be held on the rules.

Agency Contact Person: Comments or questions on the rules and written requests for a public hearing on the rules must be submitted to:

Sandra J. MacKenzie
Assistant Director
Minnesota Board of Nursing
Suite 108
2700 University Avenue West
St. Paul, Minnesota 55113
Telephone: (612) 642-0572

Subject of Rules and Statutory Authority: The proposed rules relate to licensure by examination of professional and practical nurses, temporary permits, and registration fees. The licensure by examination requirements are authorized by *Minnesota Statutes*, section 148.211, subdivision 1. The temporary permit provisions are authorized by *Minnesota Statutes*, section 148.212. The reg-

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Proposed Rules

istration fee provisions are authorized by *Minnesota Statutes*, section 148.231, subdivision 1. A copy of the proposed rules is published in the *State Register* and is attached to this notice as mailed.

Comments: You have until 4:30 p.m. February 23, 1994, to submit written comments in support of or in opposition to the proposed rules and any part or subpart of the rules. Your comments must be in writing and received by the agency contact person by the due date. Comments are encouraged. Your comments should identify the portion of the proposed rules addressed, the reason for your comments, and any change that you propose.

Request for a Hearing: In addition to submitted comments, you may also request that a public hearing be held on the rules. Your request for a public hearing must be in writing and must be received by the agency contact person by 4:30 p.m., February 23, 1994. Your written request for a public hearing must include your name and address. You are encouraged to identify the portion of the proposed rules on which you request a hearing, the reason for the request, and any changes that you recommend to the proposed rules. If 25 or more persons submit a written request for a hearing, a public hearing will be held, unless a sufficient number withdraw their requests in writing. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131 to 14.20. Pursuant to *Minnesota Statutes*, Section 214.06 Subdivision 3 (1993), no public hearing will be held on the proposed fee charges.

Modifications: The proposed rules may be modified as a result of public comment. The modifications must be supported by the data and views submitted to the agency. The modifications may not result in a substantial change in the proposed rules as attached and printed in the *State Register*. If the proposed rules affect you in any way, you are encouraged to participate in the rulemaking process.

Statement of Need and Reasonableness: A Statement of Need and Reasonableness is now available from the agency contact person. This statement describes the need for, and reasonableness of, each provision of the proposed rules, and identifies the data and information upon which the Board relied to support the proposed rules.

Small Business Considerations: It is the position of the Board that *Minnesota Statutes*, Section 14.115 (1992), relating to small business considerations in rulemaking, does not apply to these proposed rules changes. The basis for this position and the Board's evaluation of the applicability of the methods contained in *Minnesota Statutes*, Section 14.115, Subdivision 2 (1992) for reducing the impact of the proposed rules, should it be determined that the Board is governed by section 14.115, are addressed in the Statement of Need and Reasonableness.

Expenditure of Public Money by Local Public Bodies and Impact on Agricultural Land: Promulgation of these proposed rules will not result in the expenditure of public monies by local public bodies nor have any impact on agricultural land; therefore, no further information need be provided under *Minnesota Statutes*, Section 14.11 (1992).

Adoption and Review of Rules: If no hearing is required after the end of the comment period, then the Board may adopt the rules. The rules and supporting documents will then be submitted to the Attorney General for review as to legality and form to the extent form relates to legality. You may request to be notified of the date the rules are submitted to the Attorney General or be notified of the Attorney General's decision on the rules. If you wish to be so notified, or wish to receive a copy of the adopted rules, submit your request to the agency contact person listed above.

Dated: 10 January 1994

Joyce M. Schowalter
Executive Director

Rules as Proposed

6305.0100 DEFINITIONS.

[For text of subpart 1, see M.R.]

Subp. 1a. Acceptable nursing practice. "Acceptable nursing practice" means employment or volunteer nursing in any setting, participation in clinical nursing courses, or any combination of these activities. Employment includes those positions for which the individual is required to be a nurse. For professional nursing practice, the practice must have included one or more of the functions defined in *Minnesota Statutes*, section 148.171, paragraph (3). For practical nursing practice, the practice must have included one or more of the functions defined in *Minnesota Statutes*, section 148.171, paragraph (5).

[For text of subp 2, see M.R.]

Subp. 3. [See repealer.]

[For text of subps 4 to 7a, see M.R.]

Subp. 8. [See repealer.]

Subp. 9. [See repealer.]

Subp. 10. [See repealer.]

[For text of subps 11 to 21, see M.R.]

Subp. 22. Refresher course equivalent or equivalent. "Refresher course equivalent" or "equivalent," when used to refer to a refresher course, means an educational activity that includes a clinical component and used in lieu of a refresher course. Examples of equivalent activities are a preceptorship, an orientation program, a program of study leading to a degree in nursing, or a clinical course to enhance nursing skills in a clinical area.

6305.0300 AUTHORIZATION TO PRACTICE NURSING.

[For text of subpart 1, see M.R.]

Subp. 1a. **Authorized abbreviations.** The categories of nursing personnel listed below may use abbreviations as follows:

[For text of items A to D, see M.R.]

E. Nursing assistants who are on the long-term care registry of ~~the board~~ are nursing assistants/registered, abbreviated "NA/R."

[For text of subps 2 and 3, see M.R.]

Subp. 4. **Eligibility for permit to practice nursing with direct supervision.** The board shall grant an applicant who is not the subject of a pending investigation or disciplinary action a permit to practice nursing under the direct supervision of a registered nurse if the applicant:

[For text of items A and B, see M.R.]

C. has submitted the licensure application, licensure fee, ~~examination application, examination permit fee,~~ and affidavit of graduation or transcript. The affidavit of graduation or transcript must be received in the board office within 60 days following graduation;

[For text of items D to G, see M.R.]

H. ~~has written or is eligible to write take the first examination administered after graduation. An applicant who has written the examination before graduating becomes eligible for a permit after graduation. An applicant who has written the examination in another jurisdiction must submit, on a form supplied by the board, proof from the other jurisdiction that the applicant wrote the first examination administered after graduation; and~~

I. is taking the examination for the first time in a United States jurisdiction.

[For text of subps 5 and 6, see M.R.]

Subp. 7. **Length of permits.** The permit authorizing practice under the direct supervision of a registered nurse expires ~~eight weeks after the administration of the examination 60 days from the date of issue~~ or upon the applicant's notification by the board of failure on the examination, whichever occurs first. The board may extend this permit ~~an additional eight weeks if the applicant's results are delayed due to a processing delay by another nurse licensing agency or if the applicant has come under investigation by the board after the issuance of the initial permit until the matter is resolved for the applicant.~~

The permit authorizing practice without direct supervision expires six months after the date of issue, but the board shall extend this permit if licensure cannot occur because of a processing delay by another nurse licensing agency. The board may extend the permit if the applicant has come under investigation by the board after the issuance of the initial permit until the matter is resolved for the applicant.

Subp. 8. **Revocation of permit.** The board shall revoke a permit in the following situations.

A. The board shall revoke a permit if the permit holder:

- (1) ~~does not write the scheduled examination;~~
- (2) has been notified of the results of the examination;
- (3) ~~(2)~~ is licensed by the board;
- (4) ~~(3)~~ did not write in another jurisdiction an examination acceptable to the board;

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- (5) (4) did not pass an examination in another jurisdiction with a score acceptable to the board;
- (6) (5) is not eligible for licensure; or
- (7) (6) did not graduate.

[For text of item B, see M.R.]

[For text of subp 9, see M.R.]

6305.0400 REQUIREMENTS FOR LICENSURE BY EXAMINATION.

[For text of subpart 1, see M.R.]

Subp. 2. [See repealer.]

[For text of subps 3 to 5, see M.R.]

Subp. 6. **Transcripts necessary for applicants educated in foreign countries** Commission on Graduates of Foreign Nursing Schools Qualifying Examination. An applicant who has graduated from a program in another country shall submit a transcript in addition to the affidavit of graduation required in subpart 8. The applicant shall also submit a course description if the entries on the transcript are not self-explanatory as to course content. In lieu of the course description, an official of the program may complete a form provided by the board. On a notarized form, the official must attest to the applicant's participation in classroom and clinical instruction consistent with the required learning activities in part 6315.0400, subpart 4, for registered nurse applicants or subpart 5 for licensed practical nurse applicants. If the transcript and course description are not in English, a translation must be done by an agency or individual specified by the board. The cost of this translation must be paid by the applicant.

If an official transcript cannot be submitted because of political unrest or alleged governmental reprisal if the school releases the documents or if the original school records were destroyed because of a disaster or record destruction decision, or the school is closed, the board will accept one of the following:

- A. verification of the applicant's nursing education from the Commission on Graduates of Foreign Nursing Schools;
- B. verification of the applicant's nursing education from a licensing authority;
- C. verification of the applicant's nursing education from a credentialing body for refugees which was established by a national or international nursing or governmental organization;
- D. a copy of a transcript of the applicant's nursing education from a college or university that accepted the applicant for further study; the copy certified as a true and correct copy of the transcript in the files and records of the college or university; or
- E. a copy of the transcript of the applicant's nursing education from another licensing authority; the copy certified as a true and correct copy of the transcript in the files and records of the licensing authority.

If the entries on an official transcript are not self-explanatory as to course content and further educational information cannot be obtained because of political unrest, alleged governmental reprisal if the school releases the information, or if the records have been destroyed, the board shall accept the verifications of item A or C. The applicant who completed a nursing program in another country, except Canada, shall successfully complete the Commission on Graduates of Foreign Nursing Schools Qualifying Examination. The board must receive evidence of successful completion from the Commission on Graduates of Foreign Nursing Schools (CGFNS).

Until the Commission on Graduates of Foreign Nursing Schools Qualifying Examination is administered to practical nurse applicants, the applicant shall submit an evaluation of nursing education by the Credentials Evaluation Service of the Commission on Graduates of Foreign Nursing Schools. The board must receive verification from CGFNS that the applicant's education is comparable to the education required of individuals educated in the United States.

[For text of subp 7, see M.R.]

Subp. 8. **Affidavit of graduation or transcript.** An affidavit of graduation or a transcript is required if an applicant graduated from an approved nursing program in a United States jurisdiction or Canadian province. If an applicant shall have an submits an affidavit of graduation, the affidavit of graduation must be completed and signed by an official of the nursing program. The completed affidavit or controlling institution and must bear the seal or stamp of the program or controlling institution. For an applicant who has graduated from a program in another country, if the school does not notarize or does not complete the affidavit, the transcript may be accepted in lieu of the notarization. An applicant must submit the affidavit before the examination unless the applicant will be writing the examination before graduation. An applicant who graduates after writing an examination shall submit the affidavit after graduation but before licensure. An applicant who fails an examination shall submit the affidavit before reexamination. If the applicant submits a transcript, it must be an official transcript from the educational institution or nursing program that verifies that the applicant has graduated from the nursing program.

If the board finds after the examination has been written taken that the affidavit of graduation was completed in error, the appli-

applicant's permit shall be considered void; the examination results shall not be released nor action taken on the application until the applicant has graduated. If graduation requirements must be met no later than the next available school term following notification of nongraduation are not met within 12 months after the application was submitted, the application will be nullified in accordance with part 6305.0600. If there is evidence that the applicant was aware of nongraduation status before the examination and did not inform the board, the matter may be handled through a disciplinary proceeding.

Subp. 9. [See repealer.]

Subp. 10. **Fees.** The board shall charge the following fees.

A. The licensure fee is \$75 for an applicant for registered nurse licensure and \$50 for an applicant for licensed practical nurse licensure ~~\$80~~. This fee must be paid to the board and must be received before evaluation of an applicant's qualifications for examination and licensure.

B. ~~The examination fee is set by the examination vendor and must be submitted to the agency specified by the board each time an applicant wants to be scheduled to write an examination.~~

C. ~~The reexamination fee required with the request to retake the examination is \$50 for an applicant for registered nurse licensure and \$40 for an applicant for licensed practical nurse licensure. The fee must be paid to the board and must be received before evaluation of an applicant's qualifications to retake the examination.~~

D. ~~A late filing fee of \$50 must be remitted to the board if one or more of the following materials is not properly postmarked or delivered by the deadline:~~

- ~~(1) licensure application and fee;~~
- ~~(2) examination application and fee;~~
- ~~(3) reexamination application and fee.~~

~~E. C.~~ Personal checks are not accepted. Each remittance must be in the form of United States currency, cashier's check, or money order.

F. ~~D.~~ If for any reason a license is not issued, fees are not refundable.

E. The permit fee is \$50 and must be paid to the board.

Subp. 11. [See repealer.]

Subp. 12. **Written Licensure examination.** The licensure examinations are the examinations of the National Council of State Boards of Nursing, Inc. An applicant must receive a pass on the National Council Licensure Examination.

A. An applicant ~~shall be scheduled~~ is eligible for an examination when the following have been received ~~by the required date or time:~~

- ~~(1) applications~~ application for licensure and examination; fees
- ~~(2) fee for licensure and examination;~~
- ~~(3) affidavit of graduation or enrollment transcript; and;~~

~~(4) when applicable, reexamination application request to retake the examination and fee; late filing fee; transcript; course description; translation of transcript and course description; and affidavit that any educational deficit was made up. An applicant may write an examination before graduation if he or she meets all of the following requirements:~~

- ~~(1) The applicant must be enrolled in the final term of study in an approved Minnesota program.~~
- ~~(2) The remaining course work must not include any elective or required nursing courses.~~
- ~~(3) The applicant must not have been on academic probation in the term prior to the final term.~~

~~(4) The applicant must not be repeating a course to improve the grade in the course in order to meet graduation requirements.~~

~~(5) The applicant must not have written a previous NCLEX when applicable, verification of passing score on the CGFNS qualifying examination in Minnesota; and~~

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(6) when applicable, verification of comparable education.

B. The board will notify the applicant by mail of the examination when the applicant is scheduled to write. At least ten days prior to an examination the board shall mail an admission document to each applicant accepted eligible to write take the examination. Placing the notice and admission document in first class United States mail, postage prepaid and addressed to the applicant's last known address constitutes mailing official notification.

C. For admission To take the examination, the applicant must present the admission document, a head and shoulders photograph, and a document bearing the applicant's signature. The photograph must be part of a driver's license, nondriver's state identification card, passport, alien registration card, student identification card, or a photograph affixed with the school seal and signed by the director of the nursing program meet all requirements of the test service of the National Council of State Boards of Nursing, Inc., including the payment of fees, and, after receipt of an authorization to test, schedule the examination at one of the testing centers.

D. An applicant admitted late to any portion of the examination shall not be allowed extra time. An applicant will not be admitted to any portion of the examination after any applicant has finished that portion and left the examination room. An applicant who does not write the first portion of the examination shall not be allowed to write other portions.

E. Official notification of the ~~score~~ received results of the examination shall be by first class United States mail, postage prepaid and addressed to the applicant's last known address.

F. An applicant who has failed an examination may have the examination rescored by: submitting a written request to the board within one month following the release of the results of the examination; and meeting any procedural requirements including fees of the examination vendor.

G. ~~E.~~ An applicant who fails an examination may apply for reexamination on a reexamination application supplied by the board and must obey all other applicable rules, and wants to retake the examination must notify the board on a form provided by the board. On the request to retake the examination, an applicant shall respond to questions on the application that relate to the grounds for disciplinary action listed in *Minnesota Statutes*, section 148.261. The board may require further information of the applicant in order to determine whether the applicant has engaged in conduct warranting disciplinary action. An applicant must submit true information. Falsification or omission of information provides grounds for denial of a license. The application request to retake the examination must be notarized. If an application the request is received without a fee, it shall be returned to the applicant. An applicant may only retake the examination four times per year and not more often than once in every three months. The board will notify the applicant by mail when the applicant is eligible to retake the examination. Placing the notice in first class United States mail, postage prepaid and addressed to the applicant's last known address, constitutes official notification.

H. An applicant may write the examination for Minnesota licensure specified in this subpart in another jurisdiction if the board authorizes the applicant to do so and the jurisdiction is willing to administer the examination. The applicant must meet any procedural requirements and pay any fees set by the other jurisdiction.

6305.0600 APPLICATION NULLIFICATION.

Subpart 1. **Licensure by examination.** The board will nullify an application for licensure by examination if the applicant:

A. did not write take the first or second examination available within one year following submission of a licensure application and fee; or

B. did not ~~rewrite~~ retake the examination within 24 12 months after the last examination failed;

C. wrote the examination while enrolled in the final term of study but did not complete the course work during the final term; or

D. did not submit the affidavit of graduation within 12 months after the examination.

The board will not nullify an application if it agrees on a different action during a disciplinary proceeding.

[For text of subps 2 to 4, see M.R.]

6310.3600 REGISTRATION FEES.

Subpart 1. **Amount.** The amount of fees shall be as follows:

A. registration renewal, ~~\$35~~ \$40 per registration period;

B. late application, \$20;

C. replacement license, \$20;

D. replacement registration certificate, \$5;

E. verification of licensure status, \$20;

- F. verification of examination scores, \$20;
- G. a copy of licensure application materials, \$20; and
- H. service charge for a dishonored check, \$15.

Subp. 2. **Nonrefundable.** All fees are nonrefundable.

REPEALER. Minnesota Rules, parts 6305.0100, subparts 3, 8, 9, and 10; 6305.0400, subparts 2, 9, and 11; and 6305.0700, are repealed.

Adopted Rules

The adoption of a rule becomes effective after the requirements of Minn. Stat. §§14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. §14.33 and upon the approval of the Revisor of Statutes as specified in §14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under §14.18.

Department of Natural Resources

Adopted Permanent Rules Relating to Administration of Mississippi River Management Plan

The rules proposed and published at *State Register*, Volume 18, Number 14, pages 941-944, October 4, 1993 (18 SR 941), are adopted with the following modifications:

Rules as Adopted

6105.0870 ADMINISTRATION OF MANAGEMENT PLAN.

Subp. 11. **Otsego.** The municipality of Otsego shall enact or amend such ordinances and maps as necessary to:

C. for the recreational river land use district west of State Highway 101 within Sections 14, 23, 26 and Government Lot 1 and the East 1/2 of the East 1/2 of the Southeast 1/4 of Section 15, Township 121 North, Range 23 West and for the recreational river land use district west of CSAH 36 42 in Section 26, Township 121 North, Range 23 West, conform to the provisions and administrative procedures of parts 6105.0010 to 6105.0090; 6105.0100, subparts 1 and 2; Urban river class standards in parts 6120.3100, 6120.3200, and 6120.3300, subpart 2b; 6120.3300, subparts 7 to 12; 6120.3800; and 6105.0110 to 6105.0250 with the following exceptions to the provisions of these parts:

Pollution Control Agency

Adopted Permanent Rules Relating to Drip Pads for Wood Treatment

The rules proposed and published at *State Register*, Volume 18, Number 8, pages 610-614, August 23, 1993 (18 SR 610), are adopted with the following modifications:

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Adopted Rules

Rules as Adopted

7001.0623 PART B INFORMATION REQUIREMENTS FOR DRIP PADS.

Subp. 3. **Effective date.** This part is effective ~~six months after the publication of the notice of adoption~~ July 25, 1994.

7045.0020 DEFINITIONS.

Subp. 9c. **Commissioner.** "Commissioner" means the commissioner of the Minnesota Pollution Control Agency or the commissioner's designee. In federal regulations adopted by reference, the terms "regional administrator" and "director" mean "commissioner."

7045.0292 ACCUMULATION OF HAZARDOUS WASTE.

Subpart 1. **Large quantity generator.** A large quantity generator may accumulate hazardous waste on site without a permit or without having interim status if:

B. the waste is placed in containers which meet the standards of part 7045.0270, subpart 4, and are managed in accordance with part 7045.0626; in tanks provided the generator complies with the requirements of part 7045.0628 except part 7045.0628, subpart 9, item C, and subpart 12; or for wood preserving operations on drip pads, provided the generator complies with part 7045.0644 and maintains records containing a description of procedures that will be followed to ensure that all wastes are removed from drip pads and associated collection systems at least once every 90 days, and maintains documentation of the quantities, dates, and times of each waste removal. These records relating to drip pads must be maintained at the licensed site and must be easily available for agency inspection;

Subp. 5. **Small quantity generator.** A small quantity generator may accumulate up to 3,000 kilograms of hazardous waste that is not acute hazardous waste on site without a permit or without having interim status if:

B. the waste is placed in containers which meet the standards of part 7045.0270, subpart 4, and are managed in accordance with part 7045.0626; in tanks provided the generator complies with the requirements of part 7045.0629; or for wood preserving operations on drip pads, provided the generator complies with part 7045.0644 and maintains records containing a description of procedures that will be followed to ensure that all wastes are removed from drip pads and associated collection systems at least once every 180 days, and maintains documentation of the quantities, dates, and times of each waste removal. These records relating to drip pads must be maintained at the licensed site and must be easily available for agency inspection;

Subp. 6. **Very small quantity generator.** A very small quantity generator may accumulate waste on site without a permit or without having interim status until 1,000 kilograms of hazardous waste that is not acute hazardous waste is accumulated if:

B. the waste is placed in containers which meet the standards of part 7045.0270, subpart 4, and are managed in accordance with part 7045.0626; in tanks provided the generator complies with the requirements of part 7045.0629; or for wood preserving operations on drip pads, provided the generator complies with part 7045.0644 and maintains records containing a description of procedures that will be followed to ensure that all wastes are removed from drip pads and associated collection systems at least once every 180 days, and maintains documentation of the quantities, dates, and times of each waste removal. These records relating to drip pads must be maintained at the licensed site and must be easily available for agency inspection;

7045.0541 DRIP PADS.

Subp. 4. **Incidental drippage in storage yards.** The requirements of *Code of Federal Regulations*, title 40, part 264, subpart W, as amended, are not applicable to the management of infrequent and incidental drippage in storage yards provided that the owner or operator maintains and complies with a written contingency plan; ~~approved by the agency~~; that describes how the owner or operator will respond immediately to the discharge of such infrequent and incidental drippage. At a minimum, the contingency plan must describe how the owner or operator will do the following:

Subp. 5. **Exceptions to adopted federal regulations.** ~~Exceptions to the federal regulations adopted in subpart 4 are as follows:~~

~~A. Where the federal regulations adopted in subpart 1 refer to other federal regulations, the other federal regulations referred to are superseded by their corresponding state rules; where no corresponding state rule exists, the federal regulations referred to do not apply; and~~

~~B. references in the adopted regulations to "regional administrator" mean "commissioner."~~

Subp. 6. **Effective date.** This part is effective ~~six months after the publication of the notice of adoption~~ July 25, 1994.

7045.0644 DRIP PADS.

Subpart 1. **Federal regulations adopted by reference.** Owners and operators of facilities that use new or existing drip pads to convey treated wood drippage, precipitation, and/or surface water runoff to an associated collection system are subject to the requirements of *Code of Federal Regulations*, title 40, part ~~264~~ 265, subpart W, as amended. Existing drip pads and new drip pads are defined in part 7045.0020.

Subp. 4. **Incidental drippage in storage yards.** The requirements of *Code of Federal Regulations*, title 40, part 264, subpart W, as amended, are not applicable to the management of infrequent and incidental drippage in storage yards provided that the owner or operator maintains and complies with a written contingency plan, ~~approved by the agency,~~ that describes how the owner or operator will respond immediately to the discharge of such infrequent and incidental drippage. At a minimum, the contingency plan must describe how the owner or operator will do the following:

Subp. 5. **Exceptions to adopted federal regulations.** ~~Exceptions to the federal regulations adopted in subpart 1 are as follows:~~

A. Where the federal regulations adopted in subpart 1 refer to other federal regulations, the other federal regulations referred to are superseded by their corresponding state rules; where no corresponding state rule exists, the federal regulations referred to do not apply; ~~and~~

B. ~~references in the adopted regulations to "regional administrator" mean "commissioner."~~

Subp. 6. **Effective date.** This part is effective ~~six months after the publication of the notice of adoption~~ July 25, 1994.

Department of Public Service

Weights and Measures Division

Adopted Permanent Rules Relating to Regulating Weights and Measures Inspection Fees

The rules proposed and published at *State Register*, Volume 18, Number 1, pages 29-31, July 6, 1993 (18 SR 29), and Volume 18, Number 12, page 893, September 20, 1993 (18 SR 893), and Volume 18, Number 16, page 1129, October 18, 1993 (18 SR 1129), are adopted as proposed.

Secretary of State

Adopted Permanent Rules Relating to Uniform Commercial Code Filings

The rules proposed and published at *State Register*, Volume 18, Number 9, pages 714-720, August 30, 1993 (18 SR 714), are adopted with the following modifications:

Rules as Adopted

8270.0050 DEFINITIONS.

Subp. 12. **Information request.** "Information request" means a written request made to a filing officer for information about a named debtor. An information request may seek either UCC document or tax lien information and will result in a printout of information and/or copies of UCC documents or tax liens which have been filed.

Subp. 21. **Statutory lien.** "Statutory lien" means a filing made to perfect an interest created by operation of law such as those liens found in Minnesota Statutes, chapter 514.

Subp. 22. **Tax lien.** "Tax lien" means a document evidencing an obligation owed by a taxpayer to a taxing authority.

Subp. ~~22~~ 23. **Taxing authority.** "Taxing authority" means either the Internal Revenue Service or the Minnesota Department of Revenue.

Subp. ~~23~~ 24. **Taxpayer identification number.** "Taxpayer identification number" means the number assigned to a business entity by the Internal Revenue Service.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Adopted Rules

Subp. ~~24~~ 25. **Termination.** "Termination" means the document used to end the record created by the financing statement and all subsequent filings.

Subp. ~~25~~ 26. **UCC.** "UCC" means the Uniform Commercial Code as adopted in *Minnesota Statutes*, chapter 336.

Subp. ~~26~~ 27. **UCC-1.** "UCC-1" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as a financing statement.

Subp. ~~27~~ 28. **UCC-3.** "UCC-3" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an amendment or assignment, ~~partially partial~~ release ~~collateral~~, or to continue or terminate an original financing statement.

Subp. ~~28~~ 29. **UCC-11.** "UCC-11" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an information request concerning a particular debtor.

Subp. ~~29~~ 30. **UCC-12.** "UCC-12" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an information request concerning a particular taxpayer.

Subp. ~~30~~ 31. **UCC document.** "UCC document" means a financing statement, statutory lien, or any subsequent filing such as an amendment, assignment, ~~partial assignment~~, continuation, partial release, or termination.

Subp. ~~31~~ 32. **Work day.** "Work day" means a weekday that is not a federal holiday, a state holiday as defined in *Minnesota Statutes*, section 645.44, subdivision 5, or a county holiday declared by a county's board of commissioners. Work day does not include a weekday when government offices have been closed due to a weather or other emergency.

8270.0200 DATABASE.

Subp. 3. **Maintenance of database.** The Secretary of State shall maintain the central database and communications network between the filing offices. The Secretary of State is responsible for the cost of maintaining the computer and the equipment used in its filing office. Each county, through its recorder, is responsible for the cost of maintaining the equipment in the county recorder's filing office by providing the supplies required to operate the equipment in the filing office.

8270.0205 UNAUTHORIZED ENTRY.

Subpart 1. **Generally.** The Secretary of State shall develop a security system with varying levels of access to the central database which protects the system against unauthorized entry. This will be accomplished by the development of a computer ~~industry standard~~ security system that meets industry standards and implemented in cooperation with all filing officers.

Subp. 4. **Periodic review.** The staff of the Secretary of State shall regularly review and analyze access levels and system controls of the users of the central database and take every prudent precaution to ensure that unauthorized entry or use does not occur.

8270.0215 ENTRY DEADLINE.

For the purpose of uniformity and the ability to accurately state ~~that the~~ availability of filed information, it is the goal of all filing officers to have data entered into the central database by noon on the first work day following the filing date. The computer generated search certificate must identify filing offices that have not met this goal. ~~The Secretary of State will determine when it is not technically possible to meet this data entry goal and will take appropriate action.~~

8270.0240 INFORMATION RETRIEVAL.

Subp. 2. **Retrieval of information.** All filing officers must retrieve information on a requested debtor from the central database upon receipt of an information request. All filing officers must issue a certificate from the central database in response to each information request. When a filing officer's tax liens are entered in the central database, it must be used to ~~prepare a search~~ respond to tax lien information requests. All filing officers whose tax liens are entered into the central database must issue a certificate from the central database in response to a each tax lien information request.

The Department of Revenue began issuing revenue notices in July of 1991. Revenue notices are statements of policy made by the department that provide interpretation, detail, or supplementary information concerning a particular statute, rule, or departmental practice. The authority to issue revenue notices is found in *Minnesota Statutes* §270.0604.

Department of Revenue

Revenue Notice #94-2 Corporate Income Tax-Appportionment of Income-Two Factor Weighted Formula

Apportionment of net income from a trade or business carried on partly within and partly without this state is governed by *Minnesota Statute* Section 290.191. When a taxpayer only has two of the three factors for apportionment they may elect to use the Two Factor Weighted Formula as computed below. When a taxpayer elects to calculate their apportionment factor using this formula the Department will accept the calculation without the taxpayer petitioning the Department for its use under *Minnesota Statute* Section 290.20.

For those taxpayers that only have two of the three apportionment factors the following two factor weighted formula should be applied:

(Example: Taxpayer has property and sales but no payroll.)

Property* Factor	15%	
Sales Factor	<u>70%</u>	
	85%	
Property Weight	<u>15%</u>	= 17.6%
Divided by Total	85%	
Sales Weight	<u>70%</u>	= 82.4%
Divided by Total	85%	
New Weighted Property Factor	17.6%	
New Weighted Sales Factor	<u>82.4%</u>	
Total of Weights	100%	

* The calculation would be the same if a taxpayer had payroll but no property to apportion to the State of Minnesota.

(Example: Taxpayer has property and payroll but no sales.)

Property Factor	15%	
Payroll Factor	<u>15%</u>	
	30%	
Property Weight	<u>15%</u>	= 50%
Divided by Total	30%	
Payroll Weight	<u>15%</u>	= 50%
Divided by Total	30%	
New Weighted Property Factor	50%	
New Weighted Payroll Factor	50%	
Total of Weights	100%	

Dated: 24 January 1994

Debra L. McMartin
Assistant Commissioner for Tax Policy

Official Notices

Pursuant to the provisions of Minnesota Statutes §14.10, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject, either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Department of Agriculture

Minnesota Rural Finance Authority

Notice of Public Hearing on the Issuance of an Agricultural Development Revenue Bond Under *Minnesota Statutes*, Chapter 41C

NOTICE IS HEREBY GIVEN that a public hearing will be held on February 9 1994, at 9 A.M. in Room 145 Department of Agriculture Building, 90 West Plato Boulevard, Saint Paul Minnesota, on a proposal that the Minnesota Rural Finance Authority (the Authority) issue its revenue bond under *Minnesota Statutes*, Chapter 41C, in order to finance the purchase of barn improvements and equipment located in Section 29, Bergen Township, McLeod County, Minnesota on behalf of Timothy & Debra Mathews, a married couple (the Borrowers). The maximum aggregate face amount of the proposed bond issue is \$25,000. The revenue bond will be a limited obligation of the Authority, payable solely from the revenue pledged to the payment thereof. No holder of such revenue bond will ever have the right to compel any exercise of the taxing power of the State of Minnesota to pay the bond or the interest thereon, nor to enforce payment against any property of the Authority or the State of Minnesota, except the revenues specifically pledged to the payment thereof. Before issuing the revenue bond, the Authority will enter into an agreement with the Borrower whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on such revenue bond when due. All persons interested may appear and be heard at the time and place set forth above, or may file written comments with the Executive Director of the Authority prior to the date of the hearing set forth above.

Dated: 5 January 1994

LaVonne Nicolai
RFA Executive Director

Notice of Public Hearing on the Issuance of an Agricultural Development Revenue Bond Under *Minnesota Statutes*, Chapter 41C

NOTICE IS HEREBY GIVEN that a public hearing will be held on February 9 1994, at 9 A.M. in Room 145 Department of Agriculture Building, 90 West Plato Boulevard, Saint Paul Minnesota, on a proposal that the Minnesota Rural Finance Authority (the Authority) issue its revenue bond under *Minnesota Statutes*, Chapter 41C, in order to finance the purchase of approximately 185 acres of farmland located in Section 36, Aastad Township, Ottertail County, Minnesota on behalf of Terry Evavold, a single person (the Borrower). The maximum aggregate face amount of the proposed bond issue is \$140,000. The revenue bond will be a limited obligation of the Authority, payable solely from the revenue pledged to the payment thereof. No holder of such revenue bond will ever have the right to compel any exercise of the taxing power of the State of Minnesota to pay the bond or the interest thereon, nor to enforce payment against any property of the Authority or the State of Minnesota, except the revenues specifically pledged to the payment thereof. Before issuing the revenue bond, the Authority will enter into an agreement with the Borrower whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on such revenue bond when due. All persons interested may appear and be heard at the time and place set forth above, or may file written comments with the Executive Director of the Authority prior to the date of the hearing set forth above.

Dated: 5 January 1994

LaVonne Nicolai
RFA Executive Director

Notice of Public Hearing on the Issuance of an Agricultural Development Revenue Bond Under *Minnesota Statutes*, Chapter 41C

NOTICE IS HEREBY GIVEN that a public hearing will be held on February 9 1994, at 9 A.M. in Room 145 Department of Agriculture Building, 90 West Plato Boulevard, Saint Paul Minnesota, on a proposal that the Minnesota Rural Finance Authority (the Authority) issue its revenue bond under *Minnesota Statutes*, Chapter 41C, in order to finance the purchase of approximately

476 acres of farmland located in Sec 16, Township 121, and Sec 5, Township 120, Stearns County, Minnesota on behalf of Peter M. Heid and Paul T. Heid, two single persons (the Borrowers). The maximum aggregate face amount of the proposed bond issue is \$160,000. The revenue bond will be a limited obligation of the Authority, payable solely from the revenue pledged to the payment thereof. No holder of such revenue bond will ever have the right to compel any exercise of the taxing power of the State of Minnesota to pay the bond or the interest thereon, nor to enforce payment against any property of the Authority or the State of Minnesota, except the revenues specifically pledged to the payment thereof. Before issuing the revenue bond, the Authority will enter into an agreement with the Borrower whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on such revenue bond when due. All persons interested may appear and be heard at the time and place set forth above, or may file written comments with the Executive Director of the Authority prior to the date of the hearing set forth above.

Dated: 5 January 1994

LaVonne Nicolai
RFA Executive Director

Minnesota Lawful Gambling Control Board

Notice of Intent to Solicit Outside Information Regarding Proposed Rules Governing Bingo

NOTICE IS HEREBY GIVEN that the Minnesota Lawful Gambling Control Board (Board) is seeking information or opinions from outside the agency sources in preparing to propose the adoption of rules governing bingo. The adoption of the rules is authorized by *Minnesota Statutes*, section 349.151, subdivision 4, clause (5), which allows the Board to make rules authorized by Chapter 349.

The Board requests information and opinions concerning the subject matter of the rule. Interested persons or groups may submit data or views in writing or orally. Written or oral statements or comments should be directed to:

Sharon Beighley, Rules Coordinator
Minnesota Lawful Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113
Telephone: (612) 639-4000

Oral statements will be received during regular business hours, 8:00 AM to 4:30 PM, Monday through Friday.

All statements of information and opinion will be accepted until further notice. Any written materials received by the Board shall become part of the rulemaking record to be submitted to the Attorney General or Administrative Law Judge in the event that the rules are adopted.

Dated: 13 January 1994

Harry W. Baltzer
Executive Director
Gambling Control Board

Department of Health

Notice of Completed Application and Notice of and Order for Hearing: In the Matter of the License Application of First Care Medical Services, Fosston, Minnesota

PLEASE TAKE NOTICE that the Commissioner of Health (hereinafter "Commissioner") has received a completed application from First Care Medical Services, Fosston, Minnesota to change the type of service from Basic Ambulance to Advanced Ambulance Service.

IT IS HEREBY ORDERED AND NOTICE IS HEREBY GIVEN that, pursuant to *Minn. Stat.* §§ 14.57 - 14.69 and *Minn. Stat.* § 144.802 a public hearing will be held on February 28, 1994 at First Care Medical Services, Nursing Home Cafeteria, 900 Hilligoss Blvd. E., Fosston, Minnesota, commencing at 7:00 p.m. If you have an interest in this matter you are hereby urged to attend the public hearing. Failure to do so may prejudice your rights in this and any subsequent proceedings in this matter.

Official Notices

1. The purpose of the hearing is to determine whether the application from this ambulance service should be granted based upon the criteria set forth in *Minn. Stat.* § 144.802, subd. 3 (g).
2. This proceeding has been initiated pursuant to and will be controlled in all aspects by *Minn. Stat.* §§ 144.801 - 144.8093, *Minn. Stat.* §§ 14.57 - 14.69, and Rules for Contested Cases of the Office of Administrative Hearings, *Minn. R.* 1400.5100-1400.8402. Copies of the rules and statutes may be obtained for a fee from the Department of Administration, Public Documents Division, 117 University Avenue, St. Paul, Minnesota 55155, telephone: (612) 297-3000.
3. James P. Fossum, Office of Administrative Hearings, (Business Address: 611 Oak Street, Brainerd, Minnesota 56401), telephone: (218) 828-3398, will preside as administrative law judge at the hearing, and will make a written recommendation on this application. After the hearing, the record and the administrative law judge's recommendation will be forwarded to the Commissioner to make the final determination in the matter.
4. Any person wishing to intervene as a party must submit a petition to do so under *Minn. R.* 1400.6200 on or before February 14, 1994. This petition must be submitted to the administrative law judge and shall be served upon all existing parties and the Commissioner. The petition must show how the contested case affects the petitioner's legal rights, duties or privileges and shall state the grounds and purposes for which intervention is sought and indicate petitioner's statutory right to intervene if one exists.
5. In addition to or in place of participating at the hearing, any person may also submit written recommendations for the disposition of the application. These recommendations must be mailed to the administrative law judge on or before February 23, 1994.
6. Any subpoena needed to compel the attendance of witnesses or the production of documents may be obtained pursuant to *Minn. R.* 1400.7000.
7. At the hearing the applicant will present its evidence showing that a license should be granted and that all persons will be given an opportunity to cross-examine witnesses, to be heard orally, to present witnesses, and to submit written data or statements. All persons are encouraged to participate in the hearing and are requested to bring to the hearing all documents, records, and witnesses needed to support their position. It is not necessary to intervene as a party in order to participate in the hearing.
8. Please be advised that if nonpublic data is admitted into evidence, it may become public data unless an objection is made and relief is requested under *Minn. Stat.* § 14.60, subd. 2.
9. You are hereby informed that you may choose to be represented by an attorney in these proceedings, may represent yourself, or be represented by a person of your choice if not otherwise prohibited as the unauthorized practice of law.
10. A Notice of Appearance must be filed with the administrative law judge identified above within 20 days following receipt of the Notice by any person intending to appear at the hearing as a party.
11. In accordance with the provisions of *Minn. Stat.* § 14.61, the final decision of the Commissioner in this proceeding will not be made until the Report of the Administrative Law Judge has been made available to the parties in this proceeding for at least 10 days. Any party adversely affected by the Report of the Administrative Law Judge has the right to file exceptions and present arguments to the Commissioner. Any exceptions or arguments must be submitted in writing and filed with the Commissioner of Health, 717 Delaware Street Southeast, Minneapolis, Minnesota 55440, within 10 days of the receipt of the Administrative Law Judge's Report.

Mary Jo O'Brien
Commissioner of Health

Department of Human Services

Health Care Policy Division

Notice of Solicitation of Outside Information or Opinions Regarding Proposed Rules

Governing Medical Assistance Payment for Therapeutic Support of Foster Care and Family Community Support Services; and Medical Assistance Payment for Wraparound Services.

NOTICE IS HEREBY GIVEN that the State Department of Human Services is seeking information or opinions from sources outside the agency in preparing to propose the adoption of rules governing Medical Assistance Payment for Therapeutic Support of Foster Care and Family Community Support Services; and Medical Assistance Payment for Wraparound Services. The adoption of the rules is authorized by *Minnesota Statutes*, section 256B.0625, subdivisions 35, 36, and 37, which authorize medical assistance payment for therapeutic support of foster care, family community support services, and wraparound services, and *Minnesota*

Statutes, section 256B.04, subdivision 2, which authorizes the Commissioner to make uniform rules for administering medical assistance.

During the course of the rule development process the following issues may be considered: what kinds of services are covered; who is an eligible provider of services; who is eligible to receive services; frequency of services; length of services; nature of services; exceptions and limitations to services; conditions under which prior authorization for services will be required; method of delivery of services; whether services are dependent upon being integrated in a plan of care; and use of outcomes criteria.

The State Department of Human Services will form an advisory committee to aid in the development of the rule. The Department of Human Services will invite the following persons or associations to join the advisory committee: Minnesota League of Women Voters; State Advisory Council on Mental Health; Minnesota Foster Parents Association; Minnesota Licensed Family Child Care Association; Southern Minnesota Regional Legal Services; Legal Aid Society of Minneapolis; Minnesota Mental Health Law Project; Council on Black Minnesotans; Spanish Speaking Affairs Council; Indian Affairs Council; Minnesota Nurses Association; Family and Children's Services; Minnesota Psychiatric Society; Minnesota Psychological Association; Board of Marriage & Family Therapists; Minnesota Business Partnership; Department of Health; Children's Defense Fund; PACER Center, Inc.; Minnesota Association of Community Mental Health Programs; Minnesota Council of Child Caring Agencies; Minnesota Chapter of National Association of Social Workers; Wilder Child Guidance; Human Services, Inc.; and Minnesota Association of County Social Service Administrators. The State Department of Human Services will appoint the advisory task force by February 1, 1994. The advisory task force will complete consideration of the rule by April 15, 1994. The rule adoption process will take approximately 15 months.

The State Department of Human Services requests information and opinions concerning the subject matter of the rules. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to: Carol Grant, Rules and Bulletins, Human Services Building, 444 Lafayette Road, St. Paul, MN 55155-3816. Oral statements will be received during regular business hours over the telephone by Carol Grant at (612) 297-1217 and in person at the above address.

All statements of information and opinions shall be accepted until further notice is published in the *State Register* or the Notice of Hearing or Notice of Intent to Adopt Rules Without a Hearing is published in the *State Register*. Any written material received by the State Department of Human Services shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event that the rule is adopted.

Date: 18 January 1994

Carol Grant
Rules and Bulletins

Department of Labor and Industry

Labor Standards Division

Notice of Prevailing Wage Certifications for Commercial Construction Projects

Effective January 24, 1994 prevailing wage rates were determined and certified for commercial construction projects in: Hennepin county: 1994 MAC Phase I Parking Structure Rehabilitation, U of M Health Sciences Unit "F" 2nd Floor Laboratories & Pharmacy-Minneapolis. Meeker county: 1993 Middle & High School Additions and Remodeling-Litchfield. Ramsey county: St. Paul IDS #625 Como Maintenance Facility Vent & A/C Upgrade-St. Paul. St. Louis county: Balkan Community Building Improvements-Town of Balkan, Buhl Public Library Doors Replacement-Buhl.

Copies of the certified wage rates for these projects may be obtained by writing the Minnesota Department of Labor and Industry, Prevailing Wage Section, 443 Lafayette Road, St. Paul, Minnesota 55155-4306. The charge for the cost of copying and mailing are \$1.36 per project. Make check or money order payable to the State of Minnesota.

John B. Lennes, Jr.
Commissioner

State Grants

Legislative Coordinating Commission

Applications are being accepted for 8 positions on the Regent Candidate Advisory Council (RCAC).

The 24-member RCAC recruits, screens and recommends candidates to the Legislature for the University of Minnesota Board of Regents. Twelve members of the RCAC are appointed by the Speaker of the House of Representatives and twelve are appointed by the subcommittee on committees in the Senate. Members receive per diem and expenses; terms are six years. The application deadline is Friday, February 11, 1994. For further information and/or application forms, please contact Mary E. Ryan, (612) 296-1121, 85 State Office Building, St. Paul, MN 55155.

State Grants

In addition to requests by state agencies for technical/professional services (published in the State Contracts section), the *State Register* also publishes notices about grant funds available through any agency or branch of state government. Although some grant programs specifically require printing in a statewide publication such as the *State Register*, there is no requirement for publication in the *State Register* itself.

Agencies are encouraged to publish grant notices, and to provide financial estimates as well as sufficient time for interested parties to respond.

Education Department

Education and Employment Transitions Council

Notice of Availability of Request for Proposals for Regional Granting Authorities for Entrepreneurship Education

The Education and Employment Transitions Council is requesting proposals from organizations to act as regional granting authorities for entrepreneurship education for high school aged students. Each regional granting authority will distribute grants to finance entrepreneurship education programs in high schools including providing teacher training on a regional or local basis. Regional granting authorities are also required to use 20 percent of funds received to establish a revolving loan fund to finance businesses developed and operated by high school aged youth in the region. A regional granting authority will be chosen for each of the six Minnesota Foundation Initiative Districts as well as the Twin Cities Metropolitan Area. Regional granting authorities are required to provide a dollar-for-dollar cash match to the funds they receive.

\$95,000 is available for these grants.

Proposals must be received no later than 4:00 p.m. on February 23, 1994

Those interested in receiving request-for-proposals should contact:

Leo G. Christenson, Director
Office of Lifework Development
and Technology Competence
Minnesota Department of Education
740 Capitol Square Building
550 Cedar Street
St. Paul, MN 55101
(612) 282-6274

Department of Human Services

Chemical Dependency Division

Request for Proposals for Prevention Projects

The Chemical Dependency Program Division (CDPD) is requesting proposals to create projects in two areas. They are: (1) Resource Centers; (2) Community Prevention Programs. For the community program area, community is defined as state, region [multi-county], county, city or town, or neighborhood.

A total of \$1,040,707 is available to be distributed in the following manner: (1) Statewide prevention resource center - approximately \$472,000; (2) African-American resource center - approximately \$100,000; (3) Chicano/Latino (Hispanic) resource center; (4) Asian-American resource center - approximately \$60,000; (5) community prevention programs - approximately \$314,707. The funded projects will begin on or about July 1, 1994.

The goals for the resource centers are to provide alcohol, tobacco and other drug prevention information and materials for all Minnesota residents and for specific cultures. The second goal is to provide technical assistance to communities or organizations which would increase capacity for providing prevention services.

The goal of the community prevention projects is to increase awareness of alcohol, tobacco and other drug abuse problems as they affect community attitudes and behaviors regarding what is acceptable alcohol, tobacco and other drug use.

Both the resource centers and community preventions applications must create programs that address two or more of seven prevention strategies listed in the request for proposal.

Telephone requests for programmatic information concerning this RFP should be directed to Sharon L. Johnson at (612) 296-4711. Budget/fund use questions should be directed to Mike Zeman at (612) 297-1863.

Department of Jobs and Training

The Community Based Services (CBS) of the Minnesota Department of Jobs and Training hereby solicits applications for providing employment and training services pursuant to Title IV, Part C, of the Job Training Partnership Act (JTPA).

In Minnesota, approximately **\$123,000** is available to fund two projects, one rural and one metro (seven county metro area). If approved, services will be effective **April 1, 1994 through March 31, 1995**.

Title IV-C of JTPA provides for programs to meet the employment and training needs of service-connected disabled veterans, veterans of the Vietnam-era, and veterans who are recently separated from military service. Activities and all other services provided by JTPA Title IV-C funds must provide training and employment services which are unique, complementary to and not duplicative of those available through Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVEPs) or other Veteran-related employment and training programs. In addition, all participants who are provided services through Title IV-C funds must be provided a training activity.

If your organization wishes to apply for this RFP to provide services through the JTPA Title IV-C program, please contact John Harvanko for a RFP package. Completed RFPs are due no later than **4:30 p.m. February 25, 1994 (ATTN: John Harvanko)**. Any applications received after that date and time or applications that are incomplete will not be considered for funding. All funding available through the JTPA Title IV-C is contingent on funding from the U.S. Department of Labor.

If you have any questions, please feel free to call John Harvanko at (612) 297-3416.

Professional, Technical & Consulting Contracts

Department of Administration procedures require that notice of any consultant services contract or professional and technical services contract which has an estimated cost of over \$10,000 be printed in the *State Register*. These procedures also require that the following information be included in the notice: name of contact person, agency name and address, description of project and tasks, cost estimate, and final submission date of completed contract proposal. Certain quasi-state agencies are exempted from some of the provisions of this statute.

In accordance with *Minnesota Rules* Part 1230.1910, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a 6% preference in the evaluation of their proposal. For information regarding certification, call the Materials Management Helpline (612)296-2600 or [TDD (612)297-5353 and ask for 296-2600].

Department of Administration

The Department of Human Services Request for Interviews

The State of Minnesota proposes to implement a statewide Electronic Benefits Transfer (EBT) system to disburse food stamps and cash benefits to recipients of public assistance.

A newly created state EBT Task Force has been charged with the responsibility of preparing a Request for Proposal. As one part of the feasibility study phase of the project plan the Task Force would like to have vendors participate by providing information about the products/services they offer, including the system potential for delivery of other government services and benefits. Several days at the end of February, 1994 are being designated for "vendor interviews."

Any vendor who is interested in presenting information at an interview must contact the following person to establish a time on the agenda and receive further information detailing questions that the state would like addressed:

Jan Devens
EBT Section
Minnesota Department of Human Services
444 Lafayette Rd.
St. Paul, Minnesota 55155-3845
(612) 282-5554
or
(612) 297-5840 FAX

Reserved time must be scheduled NO LATER THAN FEBRUARY 7, 1994.

Department of Human Services

The Children's Trust Fund (CTF)

Request for Proposals to Write Copy for a Quarterly Publication and Other Related Material

The Children's Trust Fund is seeking proposals from experienced individuals or agencies to write copy and assist in production of the CTF's quarterly publication, *The Children's Fire*. The recipient of the grant award will be expected to:

research the literature, write original copy, interview subjects, write and edit articles in accord with the thematic direction set forth by the CTF;

provide draft copy in rough layout format and final copy on diskette to the executive director of the CTF; be responsible for the final mailsort of each issue, delivery to the designated post office and the cost of bulk mailing up to 5,000 copies. (Final desktop creation and printing of the newsletter is not included in this proposal.) Each publication usually consists of 8 pages, 8 1/2" x 11". The recipient will be required to write additional copy for CTF reports and brochures as directed and as the budget allows. Priority consideration will be given to applicants who provide a demonstrated sensitivity and experience/expertise in writing material directly related to the primary and secondary prevention of child maltreatment. -

Professional, Technical & Consulting Contracts

Professional, Technical & Consulting Contracts

Submission of Proposals

Proposals must be submitted no later than 4:00 p.m., February 15, 1994, to Maureen Cannon, Executive Director, The Children's Trust Fund, 444 Lafayette Road, St. Paul, MN 55155-3839. Telephone: 612/296-KIDS.

Proposals are to include the résumé of the person(s) who will be responsible for writing copy, samples of their published material and a per issue line item budget. Please provide an original and five (5) photocopies of the proposal. Samples of materials submitted will be returned to the applicant upon request. Proposals must be signed, in ink, by an authorized member of the firm submitting proposal.

Review of Proposals

All proposals received by the above deadline will be reviewed and evaluated by a committee selected for this purpose by the CTF. An interview/presentation with the committee may be part of the process.

This Request for Proposals does not obligate the State of Minnesota, Department of Human Services nor the Children's Trust Fund to accept any of the proposals submitted.

Tentative Proposal/Grant Contract Timelines

Publication in the *State Register*: Monday, January 24, 1994.

Response Period: January 25, 1994 to 4:00 PM, February 15, 1994.

Respondent Interviews (Tentative Date): February 24 and 25, 1994.

Anticipated Beginning Date of Grant Contract: April 1, 1994.

Term of Grant Contract: Twenty-four (24) months.

Amount of Grant Award: Not to exceed \$50,000.00.

Department of Transportation

Proposals Sought for Market Research AME Business Plan

The Minnesota Department of Transportation requests proposals to conduct focus groups to better understand needs of drivers and customers in the Worthington-Windom area.

This request for proposal does not obligate the state to complete the project, and the state reserves the right to cancel the solicitation if it is considered to be in its best interest.

A. SCOPE OF THE PROJECT

The contracted agency will conduct ten focus groups involving ten designated segments of users in order to explore customer perceptions of Mn/DOT Maintenance roadway safety, roadway structural integrity (smooth pavements, spring postings, etc.), bridges, roadway free of obstructions (snow and ice, debris, delay, etc.), roadside attractiveness (vegetation height control, noxious weeds, and litter), and motorist services.

B. GOALS AND OBJECTIVES

To determine what factors the public uses as measurements; when is a highway well maintained, what makes a customer feel satisfied/dissatisfied, what is the relative importance of the various products/ services, what does the customer expect, and what concerns the customer the most.

To understand customer/road user/driver satisfaction and needs related to Mn/DOT's responsibility in the area of maintenance activities on the Minnesota Trunk Highway systems.

To provide Mn/DOT with information that can be used to make decisions regarding what maintenance products and services are viewed as important to the customer.

To set a framework for additional market research conducted by Mn/DOT.

Professional, Technical & Consulting Contracts

C. PROJECT TASKS

Conduct ten focus groups in the area of Worthington-Windom involving matched sample of six to eight participants from each of following customer/user segments (independent truck owner operator, managers of trucking companies, school district transportation coordinators, managers of food processing plants, farmers, agri-business people, commuters to work by age groups of 18 to 34, 34 to 55, and 55+), and representatives of wildlife and naturalist groups.

Employ a sequence of questions designed to reveal criteria used by the roadway user to evaluate maintenance products/services, user-perceived needs and expectation, usefulness of increased weather and road condition information, and acceptance of problem prevention strategies in Mn/Dot road maintenance/preservation activities (for example, applying salt before the storm).

Tasks:

- Recruit participants
- Collaborate with the project team to design the focus group script.
- Design and provide incentive for participants.
- Conduct a pretest of focus group selection process, format, and script and modify process as needed.
- Provide the focus group settings, complete with viewing area.
- Moderate the focus groups, using the same moderator for all groups.
- Create, administer, and summarize participant evaluation.
- Review the focus group process with six to ten Mn/DOT employees so they can facilitate a similar process with Mn/DOT work teams.

Deliverables:

- Report, including
 - executive summary,
 - implications,
 - facilitator impressions of customers' messages to Mn/DOT,
 - suggestions (concerning both process and content) for future research which would help Mn/DOT achieve both its information and learning objectives.
- Videotapes of each focus group.
- Typed verbatim transcription of focus group proceedings.
- Facilitator compilation of key words and phrases used by participants to describe services and satisfaction/unmet needs in order to establish how road users talk about what Mn/DOT provides for them.
- Two half-day meetings in which to present findings and discuss implications.

Responder may propose additional tasks or activities if they will substantially improve the results of the project.

D. DEPARTMENT CONTACTS

Prospective responders who have any questions regarding this request for proposal may call or write:

Name: Jerry Miller
Title: Assistant District Engineer
Address: RR 3, Box 333
Morris, MN 56267
Phone: 612-589-7001

Please note that other department personnel are not allowed to discuss the project with responders before the submittal of proposed deadline.

E. SUBMISSION OF PROPOSALS

All proposals must be sent to and received by:

Name: Jerry Miller
Title: Assistant District Engineer
Address: RR 3, Box 333
Morris, MN 56267

Not later than 12:01 PM, February 15, 1994.

Professional, Technical & Consulting Contracts

Late proposals will not be accepted. Submit nine copies of the proposal. Proposals are to be sealed in mailing envelopes or packages with the responder's name and address clearly written on the outside. Each copy of the proposal must be signed, in ink, by an authorized member of the firm. Prices and terms of the proposal as stated must be valid for the length of the project.

F. PROJECT COSTS

The department has estimated that the cost of this project should not exceed \$30,000.

G. PROJECT COMPLETION DATE:

The project will be completed by May 1, 1994; or within two months from the date of project authorization.

H. PROPOSAL CONTENTS

Nine copies of the proposal must be submitted.

The following will be considered minimum contents of the proposal:

1. A restatement of the objectives, goals, and tasks to show the responder's view of the nature of the project.
2. A description of the deliverables to be provided by the responder.
3. A brief description of the responder's background and experience specifically relevant to the project and including experience with public sector organizations.
4. Identification of personnel to conduct the project and their qualifications. No change in personnel assigned to this project will be permitted without the approval of the Project Coordinator.
5. Any expectations of participation of the department, including any services to be provided.

I. EVALUATION CRITERIA

All proposals received by the deadline will be evaluated by representatives of the Department of Transportation. In some instances, an interview will be part of the evaluation process.

In accordance with *Minnesota Rules* Part 1230.1919, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a 6 percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of 4 percent preference in the evaluation of their proposal.

Factors upon which proposals will be judged are, but are not limited to, the following:

1. Expressed understanding of the project objectives.
2. Project work plan.
3. Project cost detail, by activity.
4. Qualifications of both company and personnel. Experience of project personnel will be given greater weight than that of the firm.

Evaluation and selection will be completed by March 1, 1994.

J. WORKER'S COMPENSATION

The successful responder will be required to submit acceptable evidence of compliance with worker's compensation insurance coverage requirements prior to execution of the contract.

Professional, Technical & Consulting Contracts

Department of Transportation

Operations Division

Notice of Availability of Contract for Interactive Travel Information System.

The Minnesota Department of Transportation is requesting proposals for the design and prototype of an interactive travel information system at three sites on the interstate highway system at travel information centers. The department has estimated that the cost of this project need not approach but shall not exceed \$100,000. It is anticipated that the contract period will begin on March 15, 1994 and continue through June 30, 1994.

For further information, or to obtain a copy of the completed Request for Proposal, contact:

Marj Ebensteiner
Office of Financial Administration
Mn/DOT
417 Transportation Building
395 John Ireland Boulevard
Saint Paul, Minnesota 55155
Phone: (612) 296-5472

Proposals must be received at the above address no later than February 25, 1994.

This request does not obligate the State of Minnesota Department of Transportation to complete the work contemplated in this notice, and the department reserves the right to cancel this solicitation. All expenses incurred in responding to this notice shall be borne by the responder.

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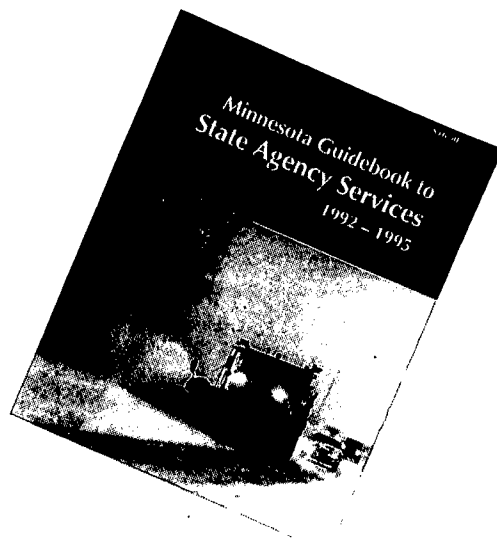
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Minnesota Manufacturer's Directory 1993

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Healing Arts (Physician's) Directory 1991

Names and addresses in alphabetical order for licensed physicians, chiropractors, osteopaths, optometrists, podiatrists and registered physical therapists. 426 pp. **Stock No. 1-1 SR \$19.95**

State Agency Telephone Directory

Orders are now being taken for the 1994 Directory. This directory lists all State of Minnesota government agencies. Features a greatly expanded FAX section with over 250 numbers, alphabetical employee listings, a classified section, organized by department, and "yellow pages" listing state offices in Greater Minnesota. 264pp. **Stock No. 1-87 SR \$12.95**

Airport Directory 1993

List of airports throughout the state. Approaches, rivers, all detailed markings, and much more. 178 pp. (pocket-size) **Stock No. 1-8 SR \$5.95**

Law Enforcement Directory 1993

Directory of state law enforcement agencies, sheriffs and police departments 51pp. **Stock No. 1-6 SR \$7.00**

Directory of Chemical Dependency Programs '92-93

Comprehensive listing of chemical dependency treatment programs in Minnesota. Information on services provided, funding and staff, and a map are also included. 282 pp. **Stock No. 1-12 SR \$17.00**

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