

SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION

S.F. No. 3278

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Human Services Reform Finance and Policy

1.1 A bill for an act  
1.2 relating to human services; allowing counties and Tribes to contact MFIP  
1.3 participants by phone or in writing upon receipt of an incomplete household report  
1.4 form; modifying the public assistance program's calculation of income; amending  
1.5 Minnesota Statutes 2020, section 256P.04, subdivision 11; Minnesota Statutes  
1.6 2021 Supplement, section 256P.06, subdivision 3.

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

1.8 Section 1. Minnesota Statutes 2020, section 256P.04, subdivision 11, is amended to read:

1.9 Subd. 11. **Participant's completion of household report form.** (a) When a participant  
1.10 is required to complete a household report form, the following paragraphs apply.

1.11 (b) If the agency receives an incomplete household report form, the agency must  
1.12 immediately ~~return the incomplete form and clearly state what the participant must do for~~  
1.13 ~~the form to be complete~~ contact the participant by phone or in writing to acquire the necessary  
1.14 information to complete the form.

1.15 (c) The automated eligibility system must send a notice of proposed termination of  
1.16 assistance to the participant if a complete household report form is not received by the  
1.17 agency. The automated notice must be mailed to the participant by approximately the 16th  
1.18 of the month. When a participant submits an incomplete form on or after the date a notice  
1.19 of proposed termination has been sent, the termination is valid unless the participant submits  
1.20 a complete form before the end of the month.

1.21 (d) The submission of a household report form is considered to have continued the  
1.22 participant's application for assistance if a complete household report form is received within

2.1 a calendar month after the month in which the form was due. Assistance shall be paid for  
2.2 the period beginning with the first day of that calendar month.

2.3 (e) An agency must allow good cause exemptions for a participant required to complete  
2.4 a household report form when any of the following factors cause a participant to fail to  
2.5 submit a completed household report form before the end of the month in which the form  
2.6 is due:

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

2.8 (2) the agency does not help a participant complete the household report form when the  
2.9 participant asks for help;

2.10 (3) a participant does not receive a household report form due to a mistake on the part  
2.11 of the department or the agency or a reported change in address;

2.12 (4) a participant is ill or physically or mentally incapacitated; or

2.13 (5) some other circumstance occurs that a participant could not avoid with reasonable  
2.14 care which prevents the participant from providing a completed household report form  
2.15 before the end of the month in which the form is due.

2.16 Sec. 2. Minnesota Statutes 2021 Supplement, section 256P.06, subdivision 3, is amended  
2.17 to read:

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

2.20 (1) earned income; and

2.21 (2) unearned income, which includes:

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

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

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

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

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

2.28 (vi) cash prizes and winnings;

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

- 3.1 (A) 18 years of age and enrolled in a secondary school; or
- 3.2 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;
- 3.3 (viii) retirement, survivors, and disability insurance payments;
- 3.4 (ix) nonrecurring income over \$60 per quarter unless the nonrecurring income is: (A)
- 3.5 from tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or
- 3.6 refund of personal or real property or costs or losses incurred when these payments are
- 3.7 made by: a public agency; a court; solicitations through public appeal; a federal, state, or
- 3.8 local unit of government; or a disaster assistance organization; (C) provided as an in-kind
- 3.9 benefit; or (D) earmarked and used for the purpose for which it was intended, subject to
- 3.10 verification requirements under section 256P.04;
- 3.11 (x) retirement benefits;
- 3.12 (xi) cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I,
- 3.13 and 256J;
- 3.14 (xii) Tribal per capita payments unless excluded by federal and state law;
- 3.15 ~~(xiii) income and payments from service and rehabilitation programs that meet or exceed~~
- 3.16 ~~the state's minimum wage rate;~~
- 3.17 ~~(xiv)~~ (xiii) income from members of the United States armed forces unless excluded
- 3.18 from income taxes according to federal or state law;
- 3.19 ~~(xv)~~ (xiv) all child support payments for programs under chapters 119B, 256D, and 256I;
- 3.20 ~~(xvi)~~ (xv) the amount of child support received that exceeds \$100 for assistance units
- 3.21 with one child and \$200 for assistance units with two or more children for programs under
- 3.22 chapter 256J;
- 3.23 ~~(xvii)~~ (xvi) spousal support; and
- 3.24 ~~(xviii)~~ (xvii) workers' compensation.