

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 961

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DATE
02/07/2019

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

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; modifying Northstar Care for Children benefits for
1.3 children under the age of six; amending Minnesota Statutes 2018, sections 256N.26,
1.4 subdivision 5; 256N.27, subdivisions 2, 4.

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

1.6 Section 1. Minnesota Statutes 2018, section 256N.26, subdivision 5, is amended to read:

1.7 Subd. 5. **Alternate rates for preschool entry and certain transitioned children.** A
1.8 child who entered the Northstar kinship assistance or adoption assistance components of
1.9 Northstar Care for Children while under the age of six shall receive ~~50 percent of the amount~~
1.10 ~~the child would otherwise be entitled to~~ the full amount under subdivisions 3 and 4. The
1.11 commissioner may ~~also use the~~ a rate of 50 percent rate of the amount the child would
1.12 otherwise be entitled to under subdivisions 3 and 4 for a child who was transitioned into
1.13 those components through declaration of the commissioner under section 256N.28,
1.14 subdivision 7.

1.15 **EFFECTIVE DATE.** This section is effective February 21, 2020.

1.16 Sec. 2. Minnesota Statutes 2018, section 256N.27, subdivision 2, is amended to read:

1.17 Subd. 2. **State share.** The commissioner shall pay the state share of the maintenance
1.18 payments as determined under subdivision 4, and an identical share of the pre-Northstar
1.19 Care foster care program under section 260C.4411, subdivision 1, the relative custody
1.20 assistance program under section 257.85, and the pre-Northstar Care for Children adoption
1.21 assistance program under chapter 259A. The state share shall include the cost of eliminating
1.22 the alternate rate for preschool entry under section 256N.26, subdivision 5.

2.1 **EFFECTIVE DATE.** This section is effective February 21, 2020.

2.2 Sec. 3. Minnesota Statutes 2018, section 256N.27, subdivision 4, is amended to read:

2.3 Subd. 4. **Nonfederal share.** (a) The commissioner shall establish a percentage share of
2.4 the maintenance payments, reduced by federal reimbursements under title IV-E of the Social
2.5 Security Act, to be paid by the state and to be paid by the financially responsible agency.

2.6 (b) These state and local shares must initially be calculated based on the ratio of the
2.7 average appropriate expenditures made by the state and all financially responsible agencies
2.8 during calendar years 2011, 2012, 2013, and 2014. For purposes of this calculation,
2.9 appropriate expenditures for the financially responsible agencies must include basic and
2.10 difficulty of care payments for foster care reduced by federal reimbursements, but not
2.11 including any initial clothing allowance, administrative payments to child care agencies
2.12 specified in section 317A.907, child care, or other support or ancillary expenditures. For
2.13 purposes of this calculation, appropriate expenditures for the state shall include adoption
2.14 assistance and relative custody assistance, reduced by federal reimbursements.

2.15 (c) For each of the periods January 1, 2015, to June 30, 2016, and fiscal years 2017,
2.16 2018, and 2019, the commissioner shall adjust this initial percentage of state and local shares
2.17 to reflect the relative expenditure trends during calendar years 2011, 2012, 2013, and 2014,
2.18 taking into account appropriations for Northstar Care for Children, the cost of eliminating
2.19 the alternate rates for preschool entry under section 256N.26, subdivision 5, and the turnover
2.20 rates of the components. In making these adjustments, the commissioner's goal shall be to
2.21 make these state and local expenditures other than the appropriations for Northstar Care for
2.22 Children to be the same as they would have been had Northstar Care for Children not been
2.23 implemented, or if that is not possible, proportionally higher or lower, as appropriate. Except
2.24 for adjustments so that the costs of the phase-in, the cost of eliminating the alternate rates
2.25 for preschool entry under section 256N.26, subdivision 5, are borne by the state, the state
2.26 and local share percentages for fiscal year 2019 must be used for all subsequent years.

2.27 **EFFECTIVE DATE.** This section is effective February 21, 2020.