Overview

This bill appropriates $3.3 million for the family asset program. The appropriation is used for matching grants and support services for participating families and organizations.

The Minnesota family assets for independence pilot program was enacted in 1998 to provide an incentive for low-income families to accrue assets. Participating families must have incomes under 200% of the federal poverty guidelines ($27,300 for a three person household) and assets of $25,000 or less. Participants sign an agreement and contribute to a savings account. A family's savings (up to $360 per year or $1,500 lifetime total) are eligible for a $4 to $1 match from state and nonstate sources at the time of withdrawal. Savings and match must be used for eligible purposes, including the cost of higher education, home purchase, business capitalization or certain home repairs or improvements.

The program is administered through fiduciary organizations that must provide matching money and education and support to participants. No state funds have been appropriated for this program.

1 Appropriations. Makes a general fund appropriation of $3,318,000 to the commissioner of children, families and learning for a grant to the Ramsey Action Program to provide matching grants for the family asset program, and to fund support services for participating families.