

HOUSE RESEARCH

Bill Summary

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Subject: Establishing an Auto Lease Program Under MFIP

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Overview

This bill establishes an auto lease program under the MFIP program.

Section

1 MFIP auto lease program. Adds § 256J.58.

Subd. 1. Program established. Establishes the MFIP auto lease program to help MFIP participants obtain automobiles necessary for job search and employment. Directs the commissioner of human services to establish the program.

Subd. 2. Eligibility. Establishes eligibility requirements for participants. Participants must:

- ▶ be 21 years of age or older;
- ▶ be employed for six months prior to participation in the auto lease program; and
- ▶ have a valid Minnesota driver's license, among other requirements.

Requires participants to attend a car care clinic. Allows participants to purchase the vehicle, renew the lease, trade up to a better vehicle, or return the vehicle with no further commitment at the end of the lease.

Subd. 3. Program structure. Requires the commissioner to contract with a transit coordinator who shall be in charge of the program. Requires the coordinator to confirm participant eligibility and conduct a needs assessment.

Subd. 4. Payment structure. Requires participants to make a first payment of \$200 and provide proof of six months of car insurance coverage. Requires leases to run from

Section

12 to 24 months. Requires the auto lease program to contribute a one-time \$1,000 acquisition fee. Allows each participant an additional \$1,000 to defray future insurance costs.

- 2 Appropriations.** Appropriates an unspecified amount from the general fund for the MFIP auto lease program for the 2004-2005 biennium.