

**Subject** Minnesota Family Investment Program (MFIP) Sanctions and Hardship Extensions

**Authors** Kunesh-Podein and others

**Analyst** Danyell A. Punelli

**Date** February 27, 2019

## Overview

This bill modifies sanctions and hardship extensions under MFIP.

The Minnesota Family Investment Program (MFIP) is a jointly funded, federal-state program designed to provide income assistance for eligible low-income families. MFIP replaces the Aid to Families with Dependent Children (AFDC) program, which was repealed by Congress in 1996.

MFIP has requirements that participants are expected to follow, such as attending the MFIP orientation, cooperating with child support enforcement efforts, developing and following the job search support plan or employment plan, and accepting an offer of suitable employment. A participant who does not follow a program requirement faces a sanction for noncompliance until one month after the participant comes into compliance with the requirements.

Under MFIP, an extension is when assistance is provided to families who are subject to and who reach the time limit if the family meets certain criteria. Under the federal TANF law, a state may provide TANF-funded assistance to families who have reached the 60-month limit, for up to 20 percent of the state's caseload on the basis of hardship, or if the family includes someone who has been subject to domestic violence. A state may also provide assistance to more than 20 percent of its caseload if it uses state-only funds.

## Summary

Section	Description
1	<b>Eligibility.</b> Amends § 256J.425, subd. 1. Removes language requiring an MFIP participant to be in compliance and not under sanction during the participant's 60 <sup>th</sup> counted month in order to be eligible for a hardship extension. Provides a November 1, 2020 effective date.

Section	Description
2	<p><b>Employed participants.</b></p> <p>Amends § 256J.425, subd. 4. Removes language requiring employed MFIP participants to be in compliance for at least ten out of the 12 months the participant received MFIP immediately preceding the participant's 61<sup>st</sup> month on assistance in order to be eligible for a hardship extension for employed participants. Removes language related to permanent disqualifications and instead requires a participant's MFIP case to be closed in certain circumstances. Provides a November 1, 2020 effective date.</p>
3	<p><b>Accrual of certain exempt months.</b></p> <p>Amends § 256J.425, subd. 5. Removes language subjecting MFIP participants who are receiving extended MFIP assistance to the policies that apply to participants during the first 60 months of MFIP, and removes language related to the policies that apply to two parent families in which one parent is extended. Provides a November 1, 2020 effective date.</p>
4	<p><b>Status of closed cases.</b></p> <p>Amends § 256J.425, subd. 7. Removes language under MFIP hardship extensions related to disqualifying participants and instead requires an assistance unit's case to be closed in certain circumstances. Provides a November 1, 2020 effective date.</p>
5	<p><b>Participants not complying with program requirements.</b></p> <p>Amends § 256J.46, subd. 1. Modifies the statute governing MFIP sanctions for noncompliance by:</p> <ul style="list-style-type: none"><li data-bbox="404 1192 1360 1255">• limiting sanctions to noncompliance with requirements for child support and maintenance, orientation, or employment and training services;</li><li data-bbox="404 1297 1403 1472">• prohibiting sanctions from being imposed when a participant comes into compliance with the requirements for employment and training services prior to the effective date of the sanction (currently, a participant must come into compliance ten days prior to the effective date of the sanction in order to avoid being sanctioned);</li><li data-bbox="404 1514 1419 1717">• changing the structure of sanctions by: (1) removing a requirement that a sanctioned assistance unit's shelter costs be vendor paid up to the amount of the cash portion of the MFIP grant, (2) requiring the cash portion of the grant to be reduced by 25 percent of the MFIP cash standard instead of 30 percent of the MFIP standard, and (3) requiring MFIP case closure after four consecutive occurrences of noncompliance rather than seven occurrences of noncompliance;</li><li data-bbox="404 1759 1370 1814">• specifying how occurrences of noncompliance are counted after November 1, 2020;</li></ul>

Section	Description
	<ul style="list-style-type: none"><li>• prohibiting counties from requesting a combined application form for a participant who has submitted a Minnesota transition application form within 30 days of case closure and specifying how counties must process these applications;</li><li>• requiring reductions to an assistance unit’s cash grant to be restored retroactively if the assistance unit comes into compliance with program requirements by the 15<sup>th</sup> of the month in which the assistance unit has a 25 percent sanction imposed; and</li><li>• specifying how good cause exemptions from sanction apply.</li></ul> <p>Provides a November 1, 2020 effective date</p>
6	<p><b>Repealer.</b></p> <p>Repeals Minnesota Statutes, sections 256J.425, subdivision 6 (sanctions for extended cases), and 256J.46, subdivisions 2 (sanctions for refusal to comply with support requirements) and 2a (dual sanctions), effective November 1, 2020.</p>



**MN HOUSE  
RESEARCH**

*Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.*

[www.house.mn/hrd](http://www.house.mn/hrd) | 651-296-6753 | 600 State Office Building | St. Paul, MN 55155