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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **3376**

February 25, 2008

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The bill was read for the first time and referred to the Committee on Health and Human Services

1.1 A bill for an act
1.2 relating to human services; amending the MFIP work participation program;
1.3 changing MFIP child care assistance provisions; making technical changes;
1.4 amending Minnesota Statutes 2006, sections 13.02, subdivision 3a; 13.82,
1.5 subdivision 1; 119B.011, subdivision 17; 119B.03, subdivisions 1, 6; 119B.09,
1.6 subdivision 1; 119B.125, by adding a subdivision; 119B.21, subdivision
1.7 10; 246.13, subdivision 2; 256E.30, subdivision 1; 256E.35, subdivision 7;
1.8 256J.24, subdivision 5; 256J.425, subdivision 1; 256J.54, subdivisions 2, 5;
1.9 256J.545; Minnesota Statutes 2007 Supplement, sections 119B.125, subdivision
1.10 2; 119B.13, subdivisions 1, 7; 119B.21, subdivision 5; 119B.231, subdivision
1.11 5; 245C.08, subdivision 2; 256E.35, subdivision 2; 256J.20, subdivision 3;
1.12 256J.575, subdivision 1; 256J.626, subdivision 7; 256J.95, subdivision 3;
1.13 repealing Minnesota Statutes 2006, section 256K.25.

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

1.15 ARTICLE 1
1.16 MFIP WORK PARTICIPATION

1.17 Section 1. Minnesota Statutes 2006, section 256J.425, subdivision 1, is amended to
1.18 read:

1.19 Subdivision 1. **Eligibility.** (a) To be eligible for a hardship extension, a participant
1.20 in an assistance unit subject to the time limit under section 256J.42, subdivision 1, must
1.21 be in compliance in the participant's 60th counted month. For purposes of determining
1.22 eligibility for a hardship extension, a participant is in compliance in any month that the
1.23 participant has not been sanctioned. In order to maintain eligibility for any of the hardship
1.24 extension categories a participant shall develop and comply with either an employment
1.25 plan or a family stabilization services plan, whichever is appropriate.

1.26 (b) If one participant in a two-parent assistance unit is determined to be ineligible for
1.27 a hardship extension, the county shall give the assistance unit the option of disqualifying

2.1 the ineligible participant from MFIP. In that case, the assistance unit shall be treated as a
 2.2 one-parent assistance unit and the assistance unit's MFIP grant shall be calculated using
 2.3 the shared household standard under section 256J.08, subdivision 82a.

2.4 (c) Prior to denying an extension, the county must review the sanction status and
 2.5 determine whether the sanction is appropriate or if good cause exists under section 256J.57.
 2.6 If the sanction was inappropriately applied or the participant is granted a good cause
 2.7 exception before the end of month 60, the participant shall be considered for an extension.

2.8 Sec. 2. Minnesota Statutes 2007 Supplement, section 256J.626, subdivision 7, is
 2.9 amended to read:

2.10 Subd. 7. **Performance base funds.** (a) ~~Beginning~~ For calendar year ~~2008~~ 2009,
 2.11 each county and tribe will be allocated 95 percent of their initial calendar year allocation.
 2.12 Counties and tribes will be allocated additional funds based on performance as follows:

2.13 (1) ~~for calendar year 2008 and yearly thereafter~~, a county or tribe that achieves a
 2.14 50 percent ~~MFIP~~ TANF participation rate or a five percentage point improvement over
 2.15 the previous year's ~~MFIP~~ TANF participation rate under section 256J.751, subdivision 2,
 2.16 clause (7), as averaged across the four quarterly measurements for the most recent year
 2.17 for which the measurements are available, will receive an additional allocation equal
 2.18 to 2.5 percent of its initial allocation; and

2.19 (2) ~~for calendar years 2005 and thereafter, a county or tribe that performs above the~~
 2.20 ~~top of its annualized range of expected performance on the three-year self-support index~~
 2.21 ~~under section 256J.751, subdivision 2, clause (6), will receive an additional allocation~~
 2.22 ~~equal to five percent of its initial allocation; and~~

2.23 (3) ~~for calendar years 2005 and thereafter~~, a county or tribe that performs within
 2.24 its range of expected performance on the annualized three-year self-support index under
 2.25 section 256J.751, subdivision 2, clause (6), will receive an additional allocation equal
 2.26 to 2.5 percent of its initial allocation; and

2.27 (4) ~~for calendar years 2008 and thereafter~~, (3) a county or tribe that does not achieve
 2.28 a 50 percent ~~MFIP~~ TANF participation rate or a five percentage point improvement over
 2.29 the previous year's ~~MFIP~~ TANF participation rate under section 256J.751, subdivision
 2.30 2, clause (7), as averaged across the four quarterly measurements for the most recent
 2.31 year for which the measurements are available, will not receive an additional 2.5 percent
 2.32 of its initial allocation until after negotiating a multiyear improvement plan with the
 2.33 commissioner; or

2.34 (5) ~~for calendar years 2008 and thereafter~~, (4) a county or tribe that does not perform
 2.35 within its range of expected performance on the annualized three-year self-support index

3.1 under section 256J.751, subdivision 2, clause (6), will not receive an additional allocation
3.2 equal to 2.5 percent of its initial allocation until after negotiating a multiyear improvement
3.3 plan with the commissioner.

3.4 (b) For calendar year 2010 and yearly thereafter, each county and tribe will be
3.5 allocated 95 percent of their initial calendar year allocation. Counties and tribes will be
3.6 allocated additional funds based on performance as follows:

3.7 (1) a county or tribe that achieves a 50 percent TANF participation rate or a
3.8 five percentage point improvement over the previous year's TANF participation rate
3.9 under section 256J.751, subdivision 2, clause (7), as averaged across the four quarterly
3.10 measurements for the most recent year for which the measurements are available, will
3.11 receive an additional allocation equal to 2.5 percent of its initial allocation;

3.12 (2) a county or tribe that does not achieve a 50 percent TANF participation rate or
3.13 a five percentage point improvement over the previous year's TANF participation rate
3.14 under section 256J.751, subdivision 2, clause (7), as averaged across the four quarterly
3.15 measurements for the most recent year for which the measurements are available, will
3.16 not receive additional allocations beyond the initial allocation until after negotiating a
3.17 multiyear improvement plan with the commissioner. Additional allocations under this
3.18 section will be as follows:

3.19 (i) counties and tribes will receive 2.5 percent of their initial allocation the first year
3.20 of the approved multiyear improvement plan; and

3.21 (ii) in subsequent years of the multiyear improvement plan, counties and tribes
3.22 will receive additional funds as follows:

3.23 (A) 2.5 percent of the county and tribe's initial allocation if the county or tribe's
3.24 TANF participation rate is 50 percent or greater or increases by five percent or more over
3.25 the previous year's rate;

3.26 (B) 1.5 percent of the county and tribe's initial allocation if the county or tribe's
3.27 TANF participation rate increases by less than five percent but not less than two percent
3.28 over the previous year's rate; or

3.29 (C) no additional allocations will be made if the multiyear improvement plan does
3.30 not result in an increase of at least two percent over the previous year's rate;

3.31 (3) a county or tribe that performs within or above its range of expected performance
3.32 on the annualized three-year self-support index under section 256J.751, subdivision 2,
3.33 clause (6), will receive an additional allocation equal to 2.5 percent of its initial allocation;
3.34 or

3.35 (4) a county or tribe that does not perform within or above its range of expected
3.36 performance on the annualized three-year self-support index under section 256J.751,

4.1 subdivision 2, clause (6), will not receive an additional allocation equal to 2.5 percent of its
4.2 initial allocation until negotiating a multiyear improvement plan with the commissioner.
4.3 To receive additional allocations equal to 2.5 percent of its initial allocation in year two
4.4 and beyond of a multiyear improvement plan, a county or tribe must provide a report
4.5 indicating that the multiyear improvement plan has been implemented, the impact of the
4.6 plan, and any anticipated changes to the plan for the next year.

4.7 ~~(b)~~ (c) For calendar year 2009, performance-based funds for a federally approved
4.8 tribal TANF program in which the state and tribe have in place a contract under section
4.9 256.01, addressing consolidated funding, will be allocated as follows:

4.10 (1) ~~for calendar year 2006 and yearly thereafter,~~ a tribe that achieves the participation
4.11 rate approved in its federal TANF plan using the average of four quarterly measurements
4.12 for the most recent year for which the measurements are available, will receive an
4.13 additional allocation equal to 2.5 percent of its initial allocation; and

4.14 (2) ~~for calendar years 2006 and thereafter, a tribe that performs above the top of its~~
4.15 ~~annualized range of expected performance on the three-year self-support index under~~
4.16 ~~section 256J.751, subdivision 2, clause (6), will receive an additional allocation equal~~
4.17 ~~to five percent of its initial allocation; or~~

4.18 (3) ~~for calendar years 2006 and thereafter,~~ a tribe that performs within its range
4.19 of expected performance on the annualized three-year self-support index under section
4.20 256J.751, subdivision 2, clause (6), will receive an additional allocation equal to 2.5
4.21 percent of its initial allocation; or

4.22 (4) ~~for calendar year 2008 and yearly thereafter,~~ (3) a tribe that does not achieve the
4.23 participation rate approved in its federal TANF plan using the average of four quarterly
4.24 measurements for the most recent year for which the measurements are available, will
4.25 not receive an additional allocation equal to 2.5 percent of its initial allocation until after
4.26 negotiating a multiyear improvement plan with the commissioner; or

4.27 (5) ~~for calendar year 2008 and yearly thereafter,~~ (4) a tribe that does not perform
4.28 within its range of expected performance on the annualized three-year self-support
4.29 index under section 256J.751, subdivision 2, clause (6), will not receive an additional
4.30 allocation equal to 2.5 percent until after negotiating a multiyear improvement plan with
4.31 the commissioner.

4.32 (d) For calendar year 2010 and yearly thereafter, performance-based funds for a
4.33 federally approved tribal TANF program in which the state and tribe have in place a
4.34 contract under section 256.01, addressing consolidated funding, will be allocated as
4.35 follows:

5.1 (1) a tribe that achieves the participation rate approved in its federal TANF plan
5.2 using the average of four quarterly measurements for the most recent year for which the
5.3 measurements are available, will receive an additional allocation equal to 2.5 percent
5.4 of its initial allocation; or

5.5 (2) a tribe that does not achieve the TANF participation rate approved in its federal
5.6 TANF plan or a five percent improvement over its previous year's TANF participation
5.7 rate using the average of four quarterly measurements for the most recent year for which
5.8 the measurements are available will not receive additional allocations beyond the initial
5.9 allocation until after negotiating a multiyear improvement plan with the commissioner.

5.10 Additional allocations under this section will be as follows:

5.11 (i) tribes will receive 2.5 percent of their initial allocation the first year of the
5.12 approved multiyear improvement plan; and

5.13 (ii) in subsequent years of the multiyear improvement plan, tribes will receive
5.14 additional funds as follows:

5.15 (A) 2.5 percent of the tribe's initial allocation if the tribe's TANF participation rate
5.16 increases by five percent or greater over the previous year's rate;

5.17 (B) 1.5 percent of the tribe's initial allocation if the tribe's TANF participation rate
5.18 increases less than five percent but not less than two percent over the previous year's
5.19 rate; or

5.20 (C) no additional allocations will be made if the multiyear improvement plan does
5.21 not result in an increase of at least two percent over the previous year's rate.

5.22 (3) a tribe that performs within or above its range of expected performance on the
5.23 annualized three-year self-support index under section 256J.751, subdivision 2, clause (6),
5.24 will receive an additional allocation equal to 2.5 percent of its initial allocation; or

5.25 (4) a tribe that does not perform within or above its range of expected performance
5.26 on the annualized three-year self-support index under section 256J.751, subdivision 2,
5.27 clause (6), will not receive an additional allocation equal to 2.5 percent of its initial
5.28 allocation until negotiating a multiyear improvement plan with the commissioner. To
5.29 receive additional allocations equal to 2.5 percent of its initial allocation in year two and
5.30 beyond of a multiyear improvement plan, a tribe must provide a report indicating that
5.31 the multiyear improvement plan has been implemented, the impact of the plan, and any
5.32 anticipated changes to the plan for the next year.

5.33 ~~(e)~~ (e) Funds remaining unallocated after the performance-based allocations in
5.34 paragraph (a) are available to the commissioner for innovation projects under subdivision
5.35 5.

6.1 ~~(d)~~ (f) (1) If available funds are insufficient to meet county and tribal allocations
 6.2 under paragraph (a), the commissioner may make available for allocation funds that are
 6.3 unobligated and available from the innovation projects through the end of the current
 6.4 biennium.

6.5 (2) If after the application of clause (1) funds remain insufficient to meet county and
 6.6 tribal allocations under paragraph (a), the commissioner must proportionally reduce the
 6.7 allocation of each county and tribe with respect to their maximum allocation available
 6.8 under paragraph (a).

6.9 **ARTICLE 2**
 6.10 **CHILD CARE**

6.11 Section 1. Minnesota Statutes 2006, section 119B.03, subdivision 6, is amended to read:

6.12 Subd. 6. **Allocation formula.** The basic sliding fee state and federal funds shall be
 6.13 allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each
 6.14 county's guaranteed floor according to subdivision 8, with any remaining available funds
 6.15 allocated according to the following formula:

6.16 (a) One-fourth of the funds shall be allocated in proportion to each county's total
 6.17 expenditures for the basic sliding fee child care program reported during the most recent
 6.18 fiscal year completed at the time of the notice of allocation.

6.19 (b) Up to one-fourth of the funds shall be allocated based on in proportion to the
 6.20 number of families participating in the transition year child care program as reported
 6.21 during and averaged over the most recent quarter six months completed at the time of the
 6.22 notice of allocation. Funds in excess of the amount necessary to serve all families in this
 6.23 category shall be allocated according to paragraph (f).

6.24 (c) Up to one-fourth of the funds shall be allocated in proportion to the average of
 6.25 each county's most recently recent six months of reported first, second, and third priority
 6.26 waiting list as defined in subdivision 2 and the reinstatement list of those families whose
 6.27 assistance was terminated with the approval of the commissioner under Minnesota Rules,
 6.28 part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in
 6.29 this category shall be allocated according to paragraph (f).

6.30 (d) Up to one-fourth of the funds must shall be allocated in proportion to the average
 6.31 of each county's most recently recent six months of reported waiting list as defined in
 6.32 subdivision 2 and the reinstatement list of those families whose assistance was terminated
 6.33 with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart
 6.34 1. Funds in excess of the amount necessary to serve all families in this category shall
 6.35 be allocated according to paragraph (f).

7.1 (e) The amount necessary to serve all families in paragraphs (b), (c), and (d) shall be
7.2 calculated based on the basic sliding fee average cost of care per family in the county with
7.3 the highest cost in the most recently completed calendar year.

7.4 (f) Funds in excess of the amount necessary to serve all families in paragraphs (b),
7.5 (c), and (d) shall be allocated in proportion to each county's total expenditures for the basic
7.6 sliding fee child care program reported during the most recent fiscal year completed at the
7.7 time of the notice of allocation.

7.8 Sec. 2. Minnesota Statutes 2007 Supplement, section 119B.231, subdivision 5, is
7.9 amended to read:

7.10 Subd. 5. **Relationship to current law.** (a) The following provisions in chapter 119B
7.11 must be waived or modified for families receiving services under this section.

7.12 (b) Notwithstanding section 119B.13, subdivisions 1 and 1a, maximum weekly rates
7.13 under this section are 125 percent of the existing maximum weekly rate for like-care.
7.14 Providers eligible for a differential rate under section 119B.13, subdivision 3a, remain
7.15 eligible for the differential above the rate identified in this section. Only care for children
7.16 who have not yet entered kindergarten may be paid at the maximum rate under this
7.17 section. The provider's charge for service provided through an SRSA may not exceed the
7.18 rate that the provider charges a private-pay family for like-care arrangements.

7.19 (c) A family or child care provider may not be assessed an overpayment for care
7.20 provided through an SRSA unless:

- 7.21 (1) there was an error in the amount of care authorized for the family; or
7.22 (2) the family or provider did not timely report a change as required under the law.
7.23 (d) Care provided through an SRSA is authorized on a weekly basis.

7.24 (e) Funds appropriated under this section to serve families eligible under section
7.25 119B.03 are not allocated through the basic sliding fee formula under section 119B.03.
7.26 Funds appropriated under this section are used to offset increased costs when payments
7.27 are made under SRSA's.

7.28 (f) Notwithstanding section 119B.09, subdivision 6, the maximum amount of child
7.29 care assistance that may be authorized for a child receiving care through an SRSA in a
7.30 two-week period is 160 hours per child.

7.31 (g) Effective upon date of enactment, absent day payment limits under section
7.32 119B.13, subdivision 7, do not apply to children for care paid through SRSA's provided
7.33 the family remains eligible under subdivision 3.

8.1 **ARTICLE 3**8.2 **CHILD CARE TECHNICAL**

8.3 Section 1. Minnesota Statutes 2006, section 119B.011, subdivision 17, is amended to
8.4 read:

8.5 Subd. 17. **MFIP.** "MFIP" means the Minnesota family investment program, the
8.6 state's TANF program under Public Law 104-193, Title I, and includes the MFIP program
8.7 under chapter 256J, ~~the work first program under chapter 256K,~~ and tribal contracts under
8.8 section 119B.02, subdivision 2, or 256.01, subdivision 2.

8.9 Sec. 2. Minnesota Statutes 2006, section 119B.03, subdivision 1, is amended to read:

8.10 Subdivision 1. ~~**Allocation period; Notice of allocation.** When the commissioner~~
8.11 ~~notifies county and human service boards of the forms and instructions they are to~~
8.12 ~~follow in the development of their child care fund plans required under section 119B.08,~~
8.13 ~~subdivision 3, the commissioner shall also notify county and human services boards of~~
8.14 ~~their estimated child care fund program allocation for the two years covered by the plan.~~
8.15 By October 1 of each year, the commissioner shall notify all counties of their final child
8.16 care fund program allocation.

8.17 Sec. 3. Minnesota Statutes 2006, section 119B.09, subdivision 1, is amended to read:

8.18 Subdivision 1. **General eligibility requirements for all applicants for child**
8.19 **care assistance.** (a) Child care services must be available to families who need child
8.20 care to find or keep employment or to obtain the training or education necessary to find
8.21 employment and who:

8.22 (1) have household income less than or equal to 250 percent of the federal poverty
8.23 guidelines, adjusted for family size, and meet the requirements of section 119B.05;
8.24 receive MFIP assistance; and are participating in employment and training services under
8.25 chapter 256J ~~or 256K;~~ or

8.26 (2) have household income less than or equal to 175 percent of the federal poverty
8.27 guidelines, adjusted for family size, at program entry and less than 250 percent of the
8.28 federal poverty guidelines, adjusted for family size, at program exit.

8.29 (b) Child care services must be made available as in-kind services.

8.30 (c) All applicants for child care assistance and families currently receiving child care
8.31 assistance must be assisted and required to cooperate in establishment of paternity and
8.32 enforcement of child support obligations for all children in the family as a condition
8.33 of program eligibility. For purposes of this section, a family is considered to meet the

9.1 requirement for cooperation when the family complies with the requirements of section
9.2 256.741.

9.3 Sec. 4. Minnesota Statutes 2006, section 119B.125, is amended by adding a subdivision
9.4 to read:

9.5 Subd. 1a. **Background study required.** This subdivision only applies to legal,
9.6 nonlicensed family child care providers. Prior to authorization, and as part of each
9.7 reauthorization required in subdivision 1, the county shall perform a background study on
9.8 every member of the provider's household who is age 13 and older. The background study
9.9 shall be conducted according to the procedures under subdivision 2.

9.10 Sec. 5. Minnesota Statutes 2007 Supplement, section 119B.125, subdivision 2, is
9.11 amended to read:

9.12 **Subd. 2. Persons who cannot be authorized.** (a) ~~A person who~~ When any
9.13 member of the legal, nonlicensed family child care provider's household meets any of the
9.14 conditions under paragraphs (b) to (n), the provider must not be authorized as a legal
9.15 nonlicensed family child care provider. To determine whether any of the listed conditions
9.16 exist, the county must request information about the provider and other household
9.17 members for whom a background study is required under subdivision 1a from the Bureau
9.18 of Criminal Apprehension, the juvenile courts, and social service agencies. When one
9.19 of the listed entities does not maintain information on a statewide basis, the county must
9.20 contact the entity in the county where the provider resides and any other county in which
9.21 the provider or any household member previously resided in the past year. For purposes of
9.22 this subdivision, a finding that a delinquency petition is proven in juvenile court must be
9.23 considered a conviction in state district court. If a county has determined that a provider
9.24 is able to be authorized in that county, and a family in another county later selects that
9.25 provider, the provider is able to be authorized in the second county without undergoing a
9.26 new background investigation unless one of the following conditions exists:

9.27 (1) two years have passed since the first authorization;

9.28 (2) another person age 13 or older has joined the provider's household since the
9.29 last authorization;

9.30 (3) a current household member has turned 13 since the last authorization; or

9.31 (4) there is reason to believe that a household member has a factor that prevents
9.32 authorization.

9.33 (b) The person has been convicted of one of the following offenses or has admitted to
9.34 committing or a preponderance of the evidence indicates that the person has committed an

10.1 act that meets the definition of one of the following offenses: sections 609.185 to 609.195,
10.2 murder in the first, second, or third degree; 609.2661 to 609.2663, murder of an unborn
10.3 child in the first, second, or third degree; 609.322, solicitation, inducement, promotion
10.4 of prostitution, or receiving profit from prostitution; 609.342 to 609.345, criminal sexual
10.5 conduct in the first, second, third, or fourth degree; 609.352, solicitation of children to
10.6 engage in sexual conduct; 609.365, incest; 609.377, felony malicious punishment of a
10.7 child; 617.246, use of minors in sexual performance; 617.247, possession of pictorial
10.8 representation of a minor; 609.2242 to 609.2243, felony domestic assault; a felony offense
10.9 of spousal abuse; a felony offense of child abuse or neglect; a felony offense of a crime
10.10 against children; or an attempt or conspiracy to commit any of these offenses as defined in
10.11 Minnesota Statutes; or an offense in any other state or country where the elements are
10.12 substantially similar to any of the offenses listed in this paragraph.

10.13 (c) Less than 15 years have passed since the discharge of the sentence imposed for
10.14 the offense and the person has received a felony conviction for one of the following
10.15 offenses, or the person has admitted to committing or a preponderance of the evidence
10.16 indicates that the person has committed an act that meets the definition of a felony
10.17 conviction for one of the following offenses: sections 609.20 to 609.205, manslaughter in
10.18 the first or second degree; 609.21, criminal vehicular homicide; 609.215, aiding suicide
10.19 or aiding attempted suicide; 609.221 to 609.2231, assault in the first, second, third, or
10.20 fourth degree; 609.224, repeat offenses of fifth degree assault; 609.228, great bodily
10.21 harm caused by distribution of drugs; 609.2325, criminal abuse of a vulnerable adult;
10.22 609.2335, financial exploitation of a vulnerable adult; 609.235, use of drugs to injure or
10.23 facilitate a crime; 609.24, simple robbery; 617.241, repeat offenses of obscene materials
10.24 and performances; 609.245, aggravated robbery; 609.25, kidnapping; 609.255, false
10.25 imprisonment; 609.2664 to 609.2665, manslaughter of an unborn child in the first or
10.26 second degree; 609.267 to 609.2672, assault of an unborn child in the first, second, or third
10.27 degree; 609.268, injury or death of an unborn child in the commission of a crime; 609.27,
10.28 coercion; 609.275, attempt to coerce; 609.324, subdivision 1, other prohibited acts, minor
10.29 engaged in prostitution; 609.3451, repeat offenses of criminal sexual conduct in the fifth
10.30 degree; 609.378, neglect or endangerment of a child; 609.52, theft; 609.521, possession of
10.31 shoplifting gear; 609.561 to 609.563, arson in the first, second, or third degree; 609.582,
10.32 burglary in the first, second, third, or fourth degree; 609.625, aggravated forgery; 609.63,
10.33 forgery; 609.631, check forgery, offering a forged check; 609.635, obtaining signature
10.34 by false pretenses; 609.66, dangerous weapon; 609.665, setting a spring gun; 609.67,
10.35 unlawfully owning, possessing, or operating a machine gun; 609.687, adulteration; 609.71,
10.36 riot; 609.713, terrorist threats; 609.749, harassment, stalking; 260C.301, termination of

11.1 parental rights; 152.021 to 152.022 and 152.0262, controlled substance crime in the first
11.2 or second degree; 152.023, subdivision 1, clause (3) or (4), or 152.023, subdivision 2,
11.3 clause (4), controlled substance crime in third degree; 152.024, subdivision 1, clause
11.4 (2), (3), or (4), controlled substance crime in fourth degree; 617.23, repeat offenses of
11.5 indecent exposure; an attempt or conspiracy to commit any of these offenses as defined in
11.6 Minnesota Statutes; or an offense in any other state or country where the elements are
11.7 substantially similar to any of the offenses listed in this paragraph.

11.8 (d) Less than ten years have passed since the discharge of the sentence imposed for
11.9 the offense and the person has received a gross misdemeanor conviction for one of the
11.10 following offenses or the person has admitted to committing or a preponderance of the
11.11 evidence indicates that the person has committed an act that meets the definition of a gross
11.12 misdemeanor conviction for one of the following offenses: sections 609.224, fifth degree
11.13 assault; 609.2242 to 609.2243, domestic assault; 518B.01, subdivision 14, violation of
11.14 an order for protection; 609.3451, fifth degree criminal sexual conduct; 609.746, repeat
11.15 offenses of interference with privacy; 617.23, repeat offenses of indecent exposure;
11.16 617.241, obscene materials and performances; 617.243, indecent literature, distribution;
11.17 617.293, disseminating or displaying harmful material to minors; 609.71, riot; 609.66,
11.18 dangerous weapons; 609.749, harassment, stalking; 609.224, subdivision 2, paragraph
11.19 (c), fifth degree assault against a vulnerable adult by a caregiver; 609.23, mistreatment
11.20 of persons confined; 609.231, mistreatment of residents or patients; 609.2325, criminal
11.21 abuse of a vulnerable adult; 609.2335, financial exploitation of a vulnerable adult;
11.22 609.233, criminal neglect of a vulnerable adult; 609.234, failure to report maltreatment of
11.23 a vulnerable adult; 609.72, subdivision 3, disorderly conduct against a vulnerable adult;
11.24 609.265, abduction; 609.378, neglect or endangerment of a child; 609.377, malicious
11.25 punishment of a child; 609.324, subdivision 1a, other prohibited acts, minor engaged
11.26 in prostitution; 609.33, disorderly house; 609.52, theft; 609.582, burglary in the first,
11.27 second, third, or fourth degree; 609.631, check forgery, offering a forged check; 609.275,
11.28 attempt to coerce; an attempt or conspiracy to commit any of these offenses as defined in
11.29 Minnesota Statutes; or an offense in any other state or country where the elements are
11.30 substantially similar to any of the offenses listed in this paragraph.

11.31 (e) Less than seven years have passed since the discharge of the sentence imposed
11.32 for the offense and the person has received a misdemeanor conviction for one of the
11.33 following offenses or the person has admitted to committing or a preponderance of
11.34 the evidence indicates that the person has committed an act that meets the definition
11.35 of a misdemeanor conviction for one of the following offenses: sections 609.224, fifth
11.36 degree assault; 609.2242, domestic assault; 518B.01, violation of an order for protection;

12.1 609.3232, violation of an order for protection; 609.746, interference with privacy; 609.79,
12.2 obscene or harassing telephone calls; 609.795, letter, telegram, or package opening,
12.3 harassment; 617.23, indecent exposure; 609.2672, assault of an unborn child, third degree;
12.4 617.293, dissemination and display of harmful materials to minors; 609.66, dangerous
12.5 weapons; 609.665, spring guns; an attempt or conspiracy to commit any of these offenses
12.6 as defined in Minnesota Statutes; or an offense in any other state or country where the
12.7 elements are substantially similar to any of the offenses listed in this paragraph.

12.8 (f) The person has been identified by the child protection agency in the county where
12.9 the provider resides or a county where the provider has resided or by the statewide child
12.10 protection database as a person found by a preponderance of evidence under section
12.11 626.556 to be responsible for physical or sexual abuse of a child within the last seven years.

12.12 (g) The person has been identified by the adult protection agency in the county
12.13 where the provider resides or a county where the provider has resided or by the statewide
12.14 adult protection database as the person responsible for abuse or neglect of a vulnerable
12.15 adult within the last seven years.

12.16 (h) The person has refused to give written consent for disclosure of criminal history
12.17 records.

12.18 (i) The person has been denied a family child care license or has received a fine or a
12.19 sanction as a licensed child care provider that has not been reversed on appeal.

12.20 (j) The person has a family child care licensing disqualification that has not been
12.21 set aside.

12.22 (k) The person has admitted or a county has found that there is a preponderance of
12.23 evidence that fraudulent information was given to the county for child care assistance
12.24 application purposes or was used in submitting child care assistance bills for payment.

12.25 (l) The person has been convicted of the crime of theft by wrongfully obtaining
12.26 public assistance or has been found guilty of wrongfully obtaining public assistance by a
12.27 federal court, state court, or an administrative hearing determination or waiver, through a
12.28 disqualification consent agreement, as part of an approved diversion plan under section
12.29 401.065, or a court-ordered stay with probationary or other conditions.

12.30 (m) The person has a household member age 13 or older who has access to children
12.31 during the hours that care is provided and who meets one of the conditions listed in
12.32 paragraphs (b) to (l).

12.33 (n) The person has a household member ages ten to 12 who has access to children
12.34 during the hours that care is provided; information or circumstances exist which provide
12.35 the county with articulable suspicion that further pertinent information may exist showing

13.1 the household member meets one of the conditions listed in paragraphs (b) to (l); and the
13.2 household member actually meets one of the conditions listed in paragraphs (b) to (l).

13.3 Sec. 6. Minnesota Statutes 2007 Supplement, section 119B.13, subdivision 1, is
13.4 amended to read:

13.5 Subdivision 1. **Subsidy restrictions.** (a) Beginning July 1, 2006, the maximum rate
13.6 paid for child care assistance in any county or multicounty region under the child care
13.7 fund shall be the rate for like-care arrangements in the county effective January 1, 2006,
13.8 increased by six percent.

13.9 (b) Rate changes shall be implemented for services provided in September 2006
13.10 unless a participant eligibility redetermination or a new provider agreement is completed
13.11 between July 1, 2006, and August 31, 2006.

13.12 As necessary, appropriate notice of adverse action must be made according to
13.13 Minnesota Rules, part 3400.0185, subparts 3 and 4.

13.14 New cases approved on or after July 1, 2006, shall have the maximum rates under
13.15 paragraph (a), implemented immediately.

13.16 (c) Every year, the commissioner shall survey rates charged by child care providers in
13.17 Minnesota to determine the 75th percentile for like-care arrangements in counties. When
13.18 the commissioner determines that, using the commissioner's established protocol, the
13.19 number of providers responding to the survey is too small to determine the 75th percentile
13.20 rate for like-care arrangements in a county or multicounty region, the commissioner may
13.21 establish the 75th percentile maximum rate based on like-care arrangements in a county,
13.22 region, or category that the commissioner deems to be similar.

13.23 (d) A rate which includes a special needs rate paid under subdivision 3 or under a
13.24 school readiness service agreement paid under section 119B.231, may be in excess of the
13.25 maximum rate allowed under this subdivision.

13.26 (e) The department shall monitor the effect of this paragraph on provider rates. The
13.27 county shall pay the provider's full charges for every child in care up to the maximum
13.28 established. The commissioner shall determine the maximum rate for each type of care on
13.29 an hourly, full-day, and weekly basis, including special needs and disability care.

13.30 (f) When the provider charge is greater than the maximum provider rate allowed,
13.31 the parent is responsible for payment of the difference in the rates in addition to any
13.32 family co-payment fee.

13.33 (g) All maximum provider rates changes shall be implemented on the Monday
13.34 following the effective date of the maximum provider rate.

14.1 Sec. 7. Minnesota Statutes 2007 Supplement, section 119B.13, subdivision 7, is
14.2 amended to read:

14.3 Subd. 7. **Absent days.** (a) Child care providers may not be reimbursed for more
14.4 than 25 full-day absent days per child, excluding holidays, in a fiscal year, or for more
14.5 than ten consecutive full-day absent days, unless the child has a documented medical
14.6 condition that causes more frequent absences. Absences due to a documented medical
14.7 condition of a parent or sibling who lives in the same residence as the child receiving
14.8 child care assistance do not count against the 25-day absent day limit in a fiscal year.
14.9 Documentation of medical conditions must be on the forms and submitted according to
14.10 the timelines established by the commissioner. A public health nurse or school nurse
14.11 may verify the illness in lieu of a medical practitioner. If a provider sends a child home
14.12 early due to a medical reason, including, but not limited to, fever or contagious illness,
14.13 the child care center director or lead teacher may verify the illness in lieu of a medical
14.14 practitioner. If a child attends for part of the time authorized to be in care in a day, but is
14.15 absent for part of the time authorized to be in care in that same day, the absent time will be
14.16 reimbursed but the time will not count toward the ten consecutive or 25 cumulative absent
14.17 day limits. Children in families where at least one parent is under the age of 21, does not
14.18 have a high school or general equivalency diploma, and is a student in a school district
14.19 or another similar program that provides or arranges for child care, as well as parenting,
14.20 social services, career and employment supports, and academic support to achieve high
14.21 school graduation, may be exempt from the absent day limits upon request of the program
14.22 and approval of the county. If a child attends part of an authorized day, payment to the
14.23 provider must be for the full amount of care authorized for that day. Child care providers
14.24 may only be reimbursed for absent days if the provider has a written policy for child
14.25 absences and charges all other families in care for similar absences.

14.26 (b) Child care providers must be reimbursed for up to ten federal or state holidays
14.27 or designated holidays per year when the provider charges all families for these days
14.28 and the holiday or designated holiday falls on a day when the child is authorized to be
14.29 in attendance. Parents may substitute other cultural or religious holidays for the ten
14.30 recognized state and federal holidays. Holidays do not count toward the ten consecutive or
14.31 25 cumulative absent day limits.

14.32 (c) A family or child care provider may not be assessed an overpayment for an
14.33 absent day payment unless (1) there was an error in the amount of care authorized for the
14.34 family, (2) all of the allowed full-day absent payments for the child have been paid, or (3)
14.35 the family or provider did not timely report a change as required under law.

15.1 (d) The provider and family must receive notification of the number of absent days
15.2 used upon initial provider authorization for a family and when the family has used 15
15.3 cumulative absent days. Upon statewide implementation of the Minnesota Electronic
15.4 Child Care System, the provider and family shall receive notification of the number of
15.5 absent days used upon initial provider authorization for a family and ongoing notification
15.6 of the number of absent days used as of the date of the notification.

15.7 (e) A county may pay for more absent days than the statewide absent day policy
15.8 established under this subdivision if current market practice in the county justifies payment
15.9 for those additional days. County policies for payment of absent days in excess of the
15.10 statewide absent day policy and justification for these county policies must be included in
15.11 the county's child care fund plan under section 119B.08, subdivision 3.

15.12 Sec. 8. Minnesota Statutes 2007 Supplement, section 119B.21, subdivision 5, is
15.13 amended to read:

15.14 Subd. 5. **Child care services grants.** (a) A child care resource and referral program
15.15 designated under section 119B.19, subdivision 1a, may award child care services grants
15.16 for:

15.17 (1) creating new licensed child care facilities and expanding existing facilities,
15.18 including, but not limited to, supplies, equipment, facility renovation, and remodeling;

15.19 (2) improving licensed child care facility programs;

15.20 (3) staff training and development services including, but not limited to, in-service
15.21 training, curriculum development, accreditation, certification, consulting, resource
15.22 centers, program and resource materials, supporting effective teacher-child interactions,
15.23 child-focused teaching, and content-driven classroom instruction;

15.24 (4) interim financing;

15.25 (5) capacity building through the purchase of appropriate technology to create,
15.26 enhance, and maintain business management systems;

15.27 (6) emergency assistance for child care programs;

15.28 (7) new programs or projects for the creation, expansion, or improvement of
15.29 programs that serve ethnic immigrant and refugee communities; and

15.30 (8) targeted recruitment initiatives to expand and build the capacity of the child
15.31 care system and to improve the quality of care provided by legal nonlicensed child care
15.32 providers.

15.33 (b) A child care resource and referral program designated under section 119B.19,
15.34 subdivision 1a, may award child care services grants to:

15.35 (1) licensed providers;

- 16.1 (2) providers in the process of being licensed;
- 16.2 (3) corporations or public agencies that develop or provide child care services;
- 16.3 (4) school-age care programs;
- 16.4 (5) legal nonlicensed or family, friend, and neighbor care providers; or
- 16.5 ~~(5)~~ (6) any combination of clauses (1) to ~~(4)~~ (5).

16.6 ~~Unlicensed providers are only eligible for grants under paragraph (a), clause (7):~~

- 16.7 (c) A recipient of a child care services grant for facility improvements, interim
- 16.8 financing, or staff training and development must provide a 25 percent local match.

16.9 Sec. 9. Minnesota Statutes 2006, section 119B.21, subdivision 10, is amended to read:

16.10 Subd. 10. **Family child care technical assistance grants.** (a) A child care resource

16.11 and referral organization designated under section 119B.19, subdivision 1a, may award

16.12 technical assistance grants of up to \$1,000. These grants may be used for:

- 16.13 (1) facility improvements, including, but not limited to, improvements to meet
- 16.14 licensing requirements;
- 16.15 (2) improvements to expand a child care facility or program;
- 16.16 (3) toys and equipment;
- 16.17 (4) technology and software to create, enhance, and maintain business management
- 16.18 systems;
- 16.19 (5) start-up costs;
- 16.20 (6) staff training and development; and
- 16.21 (7) other uses approved by the commissioner.

16.22 (b) A child care resource and referral program may award family child care technical

16.23 assistance grants to:

- 16.24 (1) licensed family child care providers; ~~or~~
- 16.25 (2) child care providers in the process of becoming licensed;
- 16.26 (3) legal nonlicensed family child care providers; or
- 16.27 (4) family, friends, and neighbor care providers.

16.28 (c) A local match is not required for a family child care technical assistance grant.

16.29 Sec. 10. Minnesota Statutes 2006, section 256E.30, subdivision 1, is amended to read:

16.30 Subdivision 1. **Authorization.** The commissioner of ~~education~~ human services may

16.31 provide financial assistance for community action agencies, Indian reservations, and

16.32 migrant and seasonal farmworker organizations to carry out community action programs

16.33 as described in section 256E.32 in accordance with the Omnibus Reconciliation Act of

17.1 1981, Public Law 97-35, as amended in 1984, Public Law 98-558, state law, and federal
17.2 law and regulation.

17.3 Sec. 11. Minnesota Statutes 2006, section 256E.35, subdivision 7, is amended to read:

17.4 Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary
17.5 organization participating in a family assets for independence initiative must report
17.6 quarterly to the commissioner of human services ~~and to the commissioner of education~~
17.7 identifying the participants with accounts, the number of accounts, the amount of savings
17.8 and matches for each participant's account, the uses of the account, and the number of
17.9 businesses, homes, and educational services paid for with money from the account, as
17.10 well as other information that may be required for the commissioner to administer the
17.11 program and meet federal TANF reporting requirements.

17.12 Sec. 12. **REVISOR'S INSTRUCTION.**

17.13 (a) The revisor of statutes shall renumber Minnesota Statutes, section 119A.45,
17.14 as Minnesota Statutes, section 256E.37.

17.15 (b) The revisor of statutes shall make such cross-reference changes as are necessary
17.16 from the renumbering in this section wherever the reference appears in statute.

17.17 ARTICLE 4

17.18 MFIP TECHNICAL CHANGES

17.19 Section 1. Minnesota Statutes 2007 Supplement, section 256J.20, subdivision 3,
17.20 is amended to read:

17.21 Subd. 3. **Other property limitations.** To be eligible for MFIP, the equity value of
17.22 all nonexcluded real and personal property of the assistance unit must not exceed \$2,000
17.23 for applicants and \$5,000 for ongoing participants. The value of assets in clauses (1) to
17.24 (19) must be excluded when determining the equity value of real and personal property:

17.25 (1) a licensed vehicle up to a loan value of less than or equal to \$15,000. If the
17.26 assistance unit owns more than one licensed vehicle, the county agency shall determine the
17.27 loan value of all additional vehicles and exclude the combined loan value of less than or
17.28 equal to \$7,500. The county agency shall apply any excess loan value as if it were equity
17.29 value to the asset limit described in this section, excluding: (i) the value of one vehicle
17.30 per physically disabled person when the vehicle is needed to transport the disabled unit
17.31 member; this exclusion does not apply to mentally disabled people; (ii) the value of special
17.32 equipment for a disabled member of the assistance unit; and (iii) any vehicle used for
17.33 long-distance travel, other than daily commuting, for the employment of a unit member.

18.1 To establish the loan value of vehicles, a county agency must use the N.A.D.A.
18.2 Official Used Car Guide, Midwest Edition, for newer model cars. When a vehicle is not
18.3 listed in the guidebook, or when the applicant or participant disputes the loan value listed
18.4 in the guidebook as unreasonable given the condition of the particular vehicle, the county
18.5 agency may require the applicant or participant document the loan value by securing a
18.6 written statement from a motor vehicle dealer licensed under section 168.27, stating
18.7 the amount that the dealer would pay to purchase the vehicle. The county agency shall
18.8 reimburse the applicant or participant for the cost of a written statement that documents
18.9 a lower loan value;

18.10 (2) the value of life insurance policies for members of the assistance unit;

18.11 (3) one burial plot per member of an assistance unit;

18.12 (4) the value of personal property needed to produce earned income, including
18.13 tools, implements, farm animals, inventory, business loans, business checking and
18.14 savings accounts used at least annually and used exclusively for the operation of a
18.15 self-employment business, and any motor vehicles if at least 50 percent of the vehicle's use
18.16 is to produce income and if the vehicles are essential for the self-employment business;

18.17 (5) the value of personal property not otherwise specified which is commonly
18.18 used by household members in day-to-day living such as clothing, necessary household
18.19 furniture, equipment, and other basic maintenance items essential for daily living;

18.20 (6) the value of real and personal property owned by a recipient of Supplemental
18.21 Security Income or Minnesota supplemental aid;

18.22 (7) the value of corrective payments, but only for the month in which the payment
18.23 is received and for the following month;

18.24 (8) a mobile home or other vehicle used by an applicant or participant as the
18.25 applicant's or participant's home;

18.26 (9) money in a separate escrow account that is needed to pay real estate taxes or
18.27 insurance and that is used for this purpose;

18.28 (10) money held in escrow to cover employee FICA, employee tax withholding,
18.29 sales tax withholding, employee worker compensation, business insurance, property rental,
18.30 property taxes, and other costs that are paid at least annually, but less often than monthly;

18.31 (11) monthly assistance payments for the current month's or short-term emergency
18.32 needs under section 256J.626, subdivision 2;

18.33 (12) the value of school loans, grants, or scholarships for the period they are
18.34 intended to cover;

19.1 (13) payments listed in section 256J.21, subdivision 2, clause (9), which are held
 19.2 in escrow for a period not to exceed three months to replace or repair personal or real
 19.3 property;

19.4 (14) income received in a budget month through the end of the payment month;

19.5 (15) savings from earned income of a minor child or a minor parent that are set aside
 19.6 in a separate account designated specifically for future education or employment costs;

19.7 (16) the federal earned income credit, Minnesota working family credit, state and
 19.8 federal income tax refunds, state homeowners and renters credits under chapter 290A,
 19.9 property tax rebates and other federal or state tax rebates in the month received and the
 19.10 following month;

19.11 (17) payments excluded under federal law as long as those payments are held in a
 19.12 separate account from any nonexcluded funds;

19.13 (18) the assets of children ineligible to receive MFIP benefits because foster care or
 19.14 adoption assistance payments are made on their behalf; and

19.15 (19) the assets of persons whose income is excluded under section 256J.21,
 19.16 subdivision 2, clause (43).

19.17 Sec. 2. Minnesota Statutes 2006, section 256J.24, subdivision 5, is amended to read:

19.18 Subd. 5. **MFIP transitional standard.** The MFIP transitional standard is based
 19.19 on the number of persons in the assistance unit eligible for both food and cash assistance
 19.20 unless the restrictions in subdivision 6 on the birth of a child apply. The following table
 19.21 represents the transitional standards effective October 1, ~~2004~~ 2007.

19.22	Number of Eligible	Transitional		
19.23	People	Standard	Cash Portion	Food Portion
19.24	1	\$379 <u>\$391</u> :	\$250	\$129 <u>\$141</u>
19.25	2	\$675 <u>\$698</u> :	\$437	\$238 <u>\$261</u>
19.26	3	\$876 <u>\$910</u> :	\$532	\$344 <u>\$378</u>
19.27	4	\$1,036 <u>\$1,091</u> :	\$621	\$415 <u>\$470</u>
19.28	5	\$1,180 <u>\$1,245</u> :	\$697	\$483 <u>\$548</u>
19.29	6	\$1,350 <u>\$1,425</u> :	\$773	\$577 <u>\$652</u>
19.30	7	\$1,472 <u>\$1,553</u> :	\$850	\$622 <u>\$703</u>
19.31	8	\$1,623 <u>\$1,713</u> :	\$916	\$707 <u>\$797</u>
19.32	9	\$1,772 <u>\$1,871</u> :	\$980	\$792 <u>\$891</u>
19.33	10	\$1,915 <u>\$2,024</u> :	\$1,035	\$880 <u>\$989</u>
19.34	over 10	add \$142 <u>\$151</u> :	\$53	\$89 <u>\$98</u>
19.35	per additional member.			

20.1 The commissioner shall annually publish in the State Register the transitional
 20.2 standard for an assistance unit sizes 1 to 10 including a breakdown of the cash and food
 20.3 portions.

20.4 Sec. 3. Minnesota Statutes 2006, section 256J.54, subdivision 2, is amended to read:

20.5 Subd. 2. **Responsibility for assessment and employment plan.** For caregivers
 20.6 who are under age 18 without a high school diploma or its equivalent, the assessment
 20.7 under subdivision 1 and the employment plan under subdivision 3 must be completed
 20.8 by the social services agency under section 257.33. For caregivers who are age 18 or
 20.9 19 without a high school diploma or its equivalent who choose to have an employment
 20.10 plan with an education option under subdivision 3, the assessment under subdivision 1
 20.11 and the employment plan under subdivision 3 must be completed by the job counselor
 20.12 or, at county option, by the social services agency under section 257.33. Upon reaching
 20.13 age 18 or 19 a caregiver who received social services under section 257.33 and is without
 20.14 a high school diploma or its equivalent has the option to choose whether to continue
 20.15 receiving services under the caregiver's plan from the social services agency or to utilize
 20.16 an MFIP employment and training service provider. The social services agency or the job
 20.17 counselor shall consult with ~~representatives of educational agencies that are required to~~
 20.18 ~~assist in developing educational plans under section 124D.331~~ the participant's school in
 20.19 developing the educational plan.

20.20 Sec. 4. Minnesota Statutes 2006, section 256J.54, subdivision 5, is amended to read:

20.21 Subd. 5. **School attendance required.** (a) ~~Notwithstanding the provisions of~~
 20.22 ~~section 256J.56,~~ Minor parents, or 18- or 19-year-old parents without a high school
 20.23 diploma or its equivalent who chooses an employment plan with an education option
 20.24 must attend school unless:

20.25 (1) transportation services needed to enable the caregiver to attend school are not
 20.26 available;

20.27 (2) appropriate child care services needed to enable the caregiver to attend school
 20.28 are not available;

20.29 (3) the caregiver is ill or incapacitated seriously enough to prevent attendance at
 20.30 school; or

20.31 (4) the caregiver is needed in the home because of the illness or incapacity of
 20.32 another member of the household. This includes a caregiver of a child who is younger
 20.33 than six weeks of age.

21.1 (b) The caregiver must be enrolled in a secondary school and meeting the school's
 21.2 attendance requirements. The county, social service agency, or job counselor must verify
 21.3 at least once per quarter that the caregiver is meeting the school's attendance requirements.
 21.4 An enrolled caregiver is considered to be meeting the attendance requirements when the
 21.5 school is not in regular session, including during holiday and summer breaks.

21.6 Sec. 5. Minnesota Statutes 2006, section 256J.545, is amended to read:

21.7 **256J.545 FAMILY VIOLENCE WAIVER CRITERIA.**

21.8 (a) In order to qualify for a family violence waiver, an individual must provide
 21.9 documentation of past or current family violence which may prevent the individual
 21.10 from participating in certain employment activities. ~~A claim of family violence must~~
 21.11 ~~be documented by the applicant or participant providing a sworn statement which is~~
 21.12 ~~supported by collateral documentation.~~

21.13 (b) ~~Collateral documentation may consist of~~ The following items may be considered
 21.14 acceptable documentation or verification of family violence:

21.15 (1) police, government agency, or court records;

21.16 (2) a statement from a battered women's shelter staff with knowledge of the
 21.17 circumstances or credible evidence that supports the sworn statement;

21.18 (3) a statement from a sexual assault or domestic violence advocate with knowledge
 21.19 of the circumstances or credible evidence that supports the sworn statement; or

21.20 (4) a statement from professionals from whom the applicant or recipient has sought
 21.21 assistance for the abuse; or

21.22 ~~(5) a sworn statement from any other individual with knowledge of circumstances or~~
 21.23 ~~credible evidence that supports the sworn statement.~~

21.24 (c) A claim of family violence may also be documented by a sworn statement from
 21.25 the applicant or participant and a sworn statement from any other person with knowledge
 21.26 of the circumstances or credible evidence that supports the client's statement.

21.27 Sec. 6. Minnesota Statutes 2007 Supplement, section 256J.575, subdivision 1, is
 21.28 amended to read:

21.29 Subdivision 1. **Purpose.** (a) The family stabilization services serve families who are
 21.30 not making significant progress within the Minnesota family investment program (MFIP)
 21.31 due to a variety of barriers to employment.

21.32 (b) The goal of the services is to stabilize and improve the lives of families at risk
 21.33 of long-term welfare dependency or family instability due to employment barriers such
 21.34 as physical disability, mental disability, ~~age~~, or providing care for a disabled household

22.1 member. These services promote and support families to achieve the greatest possible
 22.2 degree of self-sufficiency.

22.3 Sec. 7. Minnesota Statutes 2007 Supplement, section 256J.95, subdivision 3, is
 22.4 amended to read:

22.5 Subd. 3. **Eligibility for diversionary work program.** (a) Except for the categories
 22.6 of family units listed below, all family units who apply for cash benefits and who
 22.7 meet MFIP eligibility as required in sections 256J.11 to 256J.15 are eligible and must
 22.8 participate in the diversionary work program. Family units that are not eligible for the
 22.9 diversionary work program include:

22.10 (1) child only cases;

22.11 (2) a single-parent family unit that includes a child under 12 weeks of age. A parent
 22.12 is eligible for this exception once in a parent's lifetime and is not eligible if the parent
 22.13 has already used the previously allowed child under age one exemption from MFIP
 22.14 employment services;

22.15 (3) a minor parent without a high school diploma or its equivalent;

22.16 (4) an 18- or 19-year-old caregiver without a high school diploma or its equivalent
 22.17 who chooses to have an employment plan with an education option;

22.18 (5) a caregiver age 60 or over;

22.19 (6) family units with a caregiver who received DWP benefits in the 12 months prior
 22.20 to the month the family applied for DWP, except as provided in paragraph (c);

22.21 (7) family units with a caregiver who received MFIP within the 12 months prior to
 22.22 the month the family unit applied for DWP;

22.23 (8) a family unit with a caregiver who received 60 or more months of TANF
 22.24 assistance;

22.25 (9) a family unit with a caregiver who is disqualified from DWP or MFIP due to
 22.26 fraud; and

22.27 (10) refugees and asylees as defined in Code of Federal Regulations, title 45, ~~chapter~~
 22.28 ~~IV~~ part 400, subpart d, section 444.43 400.43, who arrived in the United States in the 12
 22.29 months prior to the date of application for family cash assistance.

22.30 (b) A two-parent family must participate in DWP unless both caregivers meet the
 22.31 criteria for an exception under paragraph (a), clauses (1) through (5), or the family unit
 22.32 includes a parent who meets the criteria in paragraph (a), clause (6), (7), (8), ~~or~~ (9), or (10).

22.33 (c) Once DWP eligibility is determined, the four months run consecutively. If a
 22.34 participant leaves the program for any reason and reapplies during the four-month period,
 22.35 the county must redetermine eligibility for DWP.

23.1 **ARTICLE 5**

23.2 **MISCELLANEOUS TECHNICAL**

23.3 Section 1. Minnesota Statutes 2006, section 13.02, subdivision 3a, is amended to read:

23.4 Subd. 3a. **Criminal justice agencies.** "Criminal justice agencies" means all
 23.5 state and local prosecution authorities, all state and local law enforcement agencies,
 23.6 the Sentencing Guidelines Commission, the Bureau of Criminal Apprehension, the
 23.7 Department of Corrections, ~~and~~ all probation officers who are not part of the judiciary,
 23.8 and fraud and crime prevention and investigation units operated or supervised by the
 23.9 Department of Human Services.

23.10 Sec. 2. Minnesota Statutes 2006, section 13.82, subdivision 1, is amended to read:

23.11 Subdivision 1. **Application.** This section shall apply to agencies which carry on
 23.12 a law enforcement function, including but not limited to municipal police departments,
 23.13 county sheriff departments, fire departments, the Bureau of Criminal Apprehension,
 23.14 the Minnesota State Patrol, the Board of Peace Officer Standards and Training, the
 23.15 Department of Commerce, ~~and the program integrity section of, and county human service~~
 23.16 ~~agency client and provider~~ fraud and crime prevention and control investigation units
 23.17 operated or supervised by the Department of Human Services.

23.18 Sec. 3. Minnesota Statutes 2007 Supplement, section 245C.08, subdivision 2, is
 23.19 amended to read:

23.20 Subd. 2. **Background studies conducted by a county agency.** (a) For a background
 23.21 study conducted by a county agency for adult foster care, family adult day services, and
 23.22 family child care services, the commissioner shall review:

23.23 (1) information from the county agency's record of substantiated maltreatment
 23.24 of adults and the maltreatment of minors;

23.25 (2) information from juvenile courts as required in subdivision 4 for individuals
 23.26 listed in section 245C.03, subdivision 1, clauses (2), (5), and (6); and

23.27 (3) information from the Bureau of Criminal Apprehension.

23.28 (b) If the individual has resided in the county for less than five years, the study shall
 23.29 include the records specified under paragraph (a) for the previous county or counties of
 23.30 residence for the past five years.

23.31 (c) Notwithstanding expungement by a court, the county agency may consider
 23.32 information obtained under paragraph (a), ~~clauses clause (3) and (4),~~ unless the

24.1 commissioner received notice of the petition for expungement and the court order for
24.2 expungement is directed specifically to the commissioner.

24.3 Sec. 4. Minnesota Statutes 2006, section 246.13, subdivision 2, is amended to read:

24.4 Subd. 2. **Definitions; risk assessment and management.** (a) As used in this
24.5 section:

24.6 (1) "appropriate and necessary medical and other records" includes patient medical
24.7 records and other protected health information as defined by Code of Federal Regulations,
24.8 title 45, section 164.501, relating to a patient in a state-operated services facility including,
24.9 but not limited to, the patient's treatment plan and abuse prevention plan that is pertinent
24.10 to the patient's ongoing care, treatment, or placement in a community-based treatment
24.11 facility or a health care facility that is not operated by state-operated services, and
24.12 includes information describing the level of risk posed by a patient when the patient
24.13 enters the facility;

24.14 (2) "community-based treatment" means the community support services listed in
24.15 section 253B.02, subdivision 4b;

24.16 (3) "criminal history data" means those data maintained or used by the Departments
24.17 of Corrections and Public Safety and by the supervisory authorities listed in section 13.84,
24.18 subdivision 1, that relate to an individual's criminal history or propensity for violence,
24.19 including data in the Corrections Offender Management System (COMS) and Statewide
24.20 Supervision System (S3) maintained by the Department of Corrections; the Criminal
24.21 Justice Information System (CJIS) and the Predatory Offender Registration (POR) system
24.22 maintained by the Department of Public Safety; and the CriMNet system;

24.23 (4) "designated agency" means the agency defined in section 253B.02, subdivision 5;

24.24 (5) "law enforcement agency" means the law enforcement agency having primary
24.25 jurisdiction over the location where the offender expects to reside upon release;

24.26 (6) "predatory offender" and "offender" mean a person who is required to register as
24.27 a predatory offender under section 243.166; and

24.28 (7) "treatment facility" means a facility as defined in section 253B.02, subdivision 19.

24.29 (b) To promote public safety and for the purposes and subject to the requirements of
24.30 this paragraph, the commissioner or the commissioner's designee shall have access to, and
24.31 may review and disclose, medical and criminal history data as provided by this section, as
24.32 necessary to comply with Minnesota Rules, part 1205.0400:

24.33 (1) to determine whether a patient is required under state law to register as a
24.34 predatory offender according to section 243.166;

25.1 (2) to facilitate and expedite the responsibilities of the special review board and
25.2 end-of-confinement review committees by corrections institutions and state treatment
25.3 facilities;

25.4 (3) to prepare, amend, or revise the abuse prevention plans required under section
25.5 626.557, subdivision 14, and individual patient treatment plans required under section
25.6 253B.03, subdivision 7;

25.7 (4) to facilitate the custody, supervision, and transport of individuals transferred
25.8 between the Department of Corrections and the Department of Human Services; or

25.9 (5) to effectively monitor and supervise individuals who are under the authority of
25.10 the Department of Corrections, the Department of Human Services, and the supervisory
25.11 authorities listed in section 13.84, subdivision 1, including to investigate: suspected
25.12 fraudulent or criminal activity; or violations of conditions of probation, supervised release,
25.13 or conditional release.

25.14 (c) The state-operated services treatment facility must make a good faith effort
25.15 to obtain written authorization from the patient before releasing information from the
25.16 patient's medical record.

25.17 (d) If the patient refuses or is unable to give informed consent to authorize the
25.18 release of information required above, the chief executive officer for state-operated
25.19 services shall provide the appropriate and necessary medical and other records. The chief
25.20 executive officer shall comply with the minimum necessary requirements.

25.21 (e) The commissioner may have access to the National Crime Information Center
25.22 (NCIC) database, through the Department of Public Safety, in support of the law
25.23 enforcement functions described in paragraph (b).

25.24 Sec. 5. Minnesota Statutes 2007 Supplement, section 256E.35, subdivision 2, is
25.25 amended to read:

25.26 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

25.27 (b) "Family asset account" means a savings account opened by a household
25.28 participating in the Minnesota family assets for independence initiative.

25.29 (c) "Fiduciary organization" means:

25.30 (1) a community action agency that has obtained recognition under section 256E.31;

25.31 (2) a federal community development credit union serving the seven-county
25.32 metropolitan area; or

25.33 (3) a women-oriented economic development agency serving the seven-county
25.34 metropolitan area.

26.1 (d) "Financial institution" means a bank, bank and trust, savings bank, savings
26.2 association, or credit union, the deposits of which are insured by the Federal Deposit
26.3 Insurance Corporation or the National Credit Union Administration.

26.4 (e) "Permissible use" means:

26.5 (1) postsecondary educational expenses at an ~~accredited public postsecondary~~
26.6 eligible educational institution as defined in paragraph (g), including books, supplies, and
26.7 equipment required for courses of instruction;

26.8 (2) acquisition costs of acquiring, constructing, or reconstructing a residence,
26.9 including any usual or reasonable settlement, financing, or other closing costs;

26.10 (3) business capitalization expenses for expenditures on capital, plant, equipment,
26.11 working capital, and inventory expenses of a legitimate business pursuant to a business
26.12 plan approved by the fiduciary organization; and

26.13 (4) acquisition costs of a principal residence within the meaning of section 1034 of
26.14 the Internal Revenue Code of 1986 which do not exceed 100 percent of the average area
26.15 purchase price applicable to the residence determined according to section 143(e)(2) and
26.16 (3) of the Internal Revenue Code of 1986.

26.17 (f) "Household" means all individuals who share use of a dwelling unit as primary
26.18 quarters for living and eating separate from other individuals.

26.19 (g) "Eligible educational institution" means the following:

26.20 (1) an institution of higher education described in section 101 or 102 of the Higher
26.21 Education Act of 1965; or

26.22 (2) an area vocational education school, as defined in subparagraph (C) or (D) of
26.23 United States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational
26.24 and Applied Technology Education Act), which is located within any state, as defined in
26.25 United States Code, title 20, chapter 44, section 2302 (30). This clause is applicable only
26.26 to the extent section 2302 is in effect on the effective date of this section.

26.27 Sec. 6. **REPEALER.**

26.28 Minnesota Statutes 2006, section 256K.25, is repealed.

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