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# HOUSE FILE NO. 2062

## *FIRST COMMITTEE ENGROSSMENT*

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The bill was read for the first time and referred to the Committee on Commerce and Labor

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*Referred by Chair to Labor and Consumer Protection Division.*

*Feb/10/2010*

*Returned to the Committee on Commerce and Labor as Amended.*

1.1 A bill for an act  
1.2 relating to poverty; establishing the Ladder Out of Poverty Task Force; providing  
1.3 for its membership and duties; providing legislative appointments.

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

1.5 Section 1. **LADDER OUT OF POVERTY TASK FORCE.**

1.6 Subdivision 1. Purpose. The final report of the Commission to End Poverty by  
1.7 2020 set forth the following strategies regarding the building and maintaining of wealth  
1.8 and assets:

1.9 (1) establish public policies to encourage Minnesotans to accumulate and maintain  
1.10 assets;

1.11 (2) ban predatory financial practices that erode or deplete existing assets; and

1.12 (3) increase financial literacy to reduce vulnerability to predatory practices and  
1.13 enhance the ability to acquire assets and build wealth, and achieve and maintain  
1.14 self-sufficiency.

1.15 The purpose of the Ladder Out of Poverty Task Force ("the task force") created  
1.16 in this section is to implement and build on the strategies set forth by the Legislative  
1.17 Commission to End Poverty by 2020 to help poor and near-poor Minnesotans, including  
1.18 older women, who are among the poorest of Minnesotans, have accounted for a larger  
1.19 share of subprime loans, and are particularly vulnerable to predatory lending and financial  
1.20 hardship, to avert or escape poverty.

1.21 Achieving this purpose will require strong collaboration and coordination among the  
1.22 public, private, nonprofit, academic, and philanthropic sectors.

1.23 Subd. 2. Creation. (a) The task force consists of the following members:

2.1 (1) four senators, including two members of the majority party and two members of  
2.2 the minority party, appointed by the Subcommittee on Committees of the Committee on  
2.3 Rules and Administration of the senate;

2.4 (2) four members of the house of representatives, including two members of the  
2.5 majority party, appointed by the speaker of the house, and two members of the minority  
2.6 party, appointed by the minority leader;

2.7 (3) the commissioner of the Minnesota Department of Commerce or the  
2.8 commissioner's designee; and

2.9 (4) the attorney general or the attorney general's designee.

2.10 (b) The task force shall ensure that representatives of the following have the  
2.11 opportunity to meet with and present views to the task force: credit unions; independent  
2.12 community banks; state and federal financial institutions; community action agencies;  
2.13 faith-based financial counseling agencies; faith-based social justice organizations;  
2.14 legal services organizations representing low-income persons; nonprofit organizations  
2.15 providing free tax preparation services as part of the volunteer income tax assistance  
2.16 program; relevant state and local agencies; University of Minnesota faculty involved  
2.17 in personal and family financial education; philanthropic organizations that have as  
2.18 one of their missions combating predatory lending; organizations representing older  
2.19 Minnesotans; and organizations representing the interests of women, Latinos and Latinas,  
2.20 African-Americans, Asian-Americans, American Indians, and immigrants.

2.21 Subd. 3. **Duties.** (a) At a minimum, the task force must identify specific policies,  
2.22 strategies, and actions to:

2.23 (1) increase opportunities for poor and near-poor families and individuals to acquire  
2.24 assets and create and build wealth;

2.25 (2) expand the utilization of Family Assets for Independence in Minnesota (FAIM)  
2.26 or other culturally specific individual development account programs;

2.27 (3) reduce or eliminate predatory financial practices in Minnesota through regulatory  
2.28 actions, legislative enactments, and the development and deployment of alternative,  
2.29 nonpredatory financial products;

2.30 (4) provide incentives or assistance to private sector financial institutions to  
2.31 offer additional programs and services that provide alternatives to and education about  
2.32 predatory financial products;

2.33 (5) provide financial literacy information to low-income families and individuals at  
2.34 the time the recipient has the ability, opportunity, and motivation to receive, understand,  
2.35 and act on the information provided; and

3.1 (6) identify incentives and mechanisms to increase community engagement in  
3.2 combating poverty and helping poor and near-poor families and individuals to acquire  
3.3 assets and create and build wealth.

3.4 (b) By June 1, 2012, the task force must provide written recommendations and  
3.5 any draft legislation necessary to implement the recommendations to the chairs and  
3.6 ranking minority members of the legislative committees and divisions with jurisdiction  
3.7 over commerce and consumer protection.

3.8 Subd. 4. **Administrative provisions.** (a) The director of the Legislative  
3.9 Coordinating Commission, or a designee of the director, must convene the initial meeting  
3.10 of the task force by September 15, 2010. The members of the task force must elect a chair  
3.11 or cochairs from the legislative members at the initial meeting.

3.12 (b) Members of the task force serve without compensation or payment of expenses  
3.13 from the task force.

3.14 (c) The task force expires June 1, 2012, or upon the submission of the report required  
3.15 under subdivision 3, whichever is earlier.

3.16 (d) The task force may accept gifts and grants, which are accepted on behalf of the  
3.17 state and constitute donations to the state. The funds must be deposited in an account in  
3.18 the special revenue fund and are appropriated to the Legislative Coordinating Committee  
3.19 for purposes of the task force.

3.20 (e) The Legislative Coordinating Commission shall provide fiscal services to the  
3.21 task force as needed under this subdivision.

3.22 Subd. 5. **Deadline for appointments and designations.** The appointments and  
3.23 designations authorized under this section must be completed no later than August 15,  
3.24 2010.

3.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.