

NUMBER

#26-11-02

DATE

April 9, 2026

OF INTEREST TO

County Directors

Financial Assistance Supervisors
and Staff

Tribal Nation Directors

Employment Services Providers

Community Partners Agencies
and Advocates

ACTION/DUE DATE

Please read the information and
prepare for implementation

EXPIRATION DATE

April 9, 2028

Minnesota Family Investment Program Sanction Reform

TOPIC

This bulletin provides information about legislative changes to the MFIP sanction process.

PURPOSE

To provide interim policy guidance for MFIP sanctions due to statutory changes effective May 1, 2026. These policies modify how sanctions are counted and applied.

CONTACT

For case specific questions, submit a PolicyQuest.

SIGNED



Dr. Shaneen Moore, DCYF Assistant Commissioner

TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS), and Minnesota Department of Children Youth and Families (DCYF) supports the use of "People First" language.

I. Background

A sanction is a reduction of a family's Minnesota Family Investment Program (MFIP) grant when a participant fails to comply with MFIP requirements without good cause. During the 2023 legislative session, changes to MFIP sanction policy were passed that balance participant accountability, program predictability and administrative ease for frontline workers. This bulletin outlines these changes.

II. Overview of Policy Changes

Policy changes effective May 1, 2026, include a reduction of the maximum sanction amount, additional time to resolve sanctions, no requirement to vendor pay shelter or utility costs, and the removal of permanent disqualifications related to sanctions. Changes were also made to align the pre-60-month and post-60-month sanction process as well as to simplify policy related to sanctions and extensions. Additionally, sanction counts are reset to zero when participants come into compliance. As of May 1, 2026, all cases are reset to zero sanctions. For more details, see the chart below.

Effective May 1, 2026, the following changes are applied to the MFIP sanction policy:

Previous Policy (prior to 5/1/2026)	New Policy (5/1/2026 and forward)
Sanction amount was 10% or 30% of the Transitional Standard for that household size.	Sanction amount is 5% or 25% of the cash portion of the grant received by an assistance unit.
Noncompliance with employment services or financial orientation resulted in a 10% or 30% sanction, based on the Transitional Standard for that household size.	Noncompliance with employment services or financial orientation will result in a 5% reduction of the cash portion of the grant received by an assistance unit.
Non-cooperation with child support requirements resulted in a 30% sanction, based on the Transitional Standard for that household size.	Non-cooperation with child support requirements will result in a 25% reduction of the cash portion of the grant received by an assistance unit.
Non-compliance with employment services or financial orientation <u>and</u> non-cooperation with child support requirements in the same month resulted in a 30% sanction, based on the Transitional Standard for that household size.	Noncompliance with employment services or financial orientation <u>and</u> non-cooperation with child support requirements in the same month will result in a 25% reduction of the cash portion of the grant received in the assistance unit.

Sanctions could only be cured prior to the effective date of the sanction, unless there was good cause.	If an assistance unit comes into compliance by the 15 th of the month that the sanction was imposed, the sanction amount will be restored.
Some post-60-month cases that closed due to sanctions were subject to permanent disqualification.	Sanctions do not result in permanent disqualifications.
Sanction counts did not reset.	Once an assistance unit comes into compliance, the sanction count is reset to zero.
Sanction counts were cumulative.	Sanctions must be consecutive for the case to close.
Sanction policies were dependent on whether a case was pre-60-months or post-60-months.	The same sanction policies apply to pre-60-month cases and post-60-month cases.
Assistance units were subject to mandatory vendoring of shelter and utility costs if the unit was in their 2 nd -6 th sanction.	No requirement to vendor pay for shelter or utility costs due to sanction.
Participants were required to be in compliance in the 60 th month to be eligible for a post-60-month hardship extension.	No requirement to be in compliance in the 60 th month to be eligible for a post-60-month hardship extension.
Participants were required to be in compliance for 10 out of the past 12 months to be eligible for a post-60-month employed extension.	No requirement to be in compliance for 10 out of the past 12 months to be eligible for a post-60-month employed extension.

III. Policy Manual and MAXIS

A. Manual Updates

The Combined Manual and Employment Services Manual will be updated in the coming months. Until then, please refer to this bulletin for interim MFIP sanction policies.

B. MAXIS Updates

MAXIS will be updated April 15, 2026, to allow for implementation of the new sanction policy for May 1, 2026.

IV. Reminders When Imposing Sanctions

Review the Employment Plan

Review the employment plan to determine if the plan is still appropriate. Consider whether providing a pre-employment activity in the plan will help the participant address challenges that have prevented compliance. See Employment Services Manual [19.18 Steps Before Imposing a Sanction](#) and [19.6 When Not to Sanction Someone](#).

Review for Good Cause

Do not sanction participants who have good cause. Good cause policy has not changed. See Combined Manual [0028.18 - GOOD CAUSE FOR NON-COMPLIANCE--MFIP](#) and Employment Services Manual [19.9 Good Cause](#).

Complete the FSS Pre-Sanction Checklist

Do not sanction Family Stabilization Services (FSS) participants or participants who may be eligible for FSS without completing the [FSS Pre-Sanction Checklist](#). See Combined Manual [0011.34 - FAMILY STABILIZATION SERVICES](#) and Employment Services Manual Chapter [17 Family Stabilization Services](#) and [17.61 Sanctions](#).

V. Resources

Forms

[MFIP Notice of Intent to Sanction](#) (DHS-3175)

[Family Stabilization Services Pre-Sanction Checklist](#) (DHS-6075)

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-4049 (voice) or toll free at (800) 657-3739 or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.