2023 Legislative Changes to Public Assistance Programs

TOPIC
Legislative changes to public assistance programs passed during the 2023 legislative session. This includes changes to the Minnesota Family Investment Program, Diversionary Work Program, Refugee Cash Assistance, General Assistance, Minnesota Supplemental Aid, Housing Support, Child Care Assistance Program, and Supplemental Nutrition Assistance Program.

PURPOSE
Provide information about 2023 legislative changes.

CONTACT
Submit questions through PolicyQuest.

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TERMINOLOGY NOTICE
The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.
I. Background

This bulletin provides an overview of legislative changes that were passed during the 2023 legislative session that impact multiple programs. The changes affect the Minnesota Family Investment Program (MFIP), Diversionary Work Program (DWP), Refugee Cash Assistance (RCA), General Assistance (GA), Minnesota Supplemental Aid (MSA), Housing Support, Child Care Assistance Program (CCAP), and Supplemental Nutrition Assistance Program (SNAP).

A separate bulletin for legislative changes specific to the Child Care Assistance Program will also be published. The Department of Human Services will provide more guidance about the changes in this bulletin in the Combined Manual and SIR announcements, including policy details and information about MAXIS and MEC² changes.

II. Program Changes

A. Allowing GA, MSA, and Housing Support Applications by Phone or Video Conference

Effective July 1, 2023:

- Counties and Tribal Nations must accept applications for GA, MSA, and Housing Support by phone or video conference.
- Applicants may complete the interview by phone when applying.
- The date of application is set as the date the county or Tribal Nation receives the application as a written application, an application submitted by phone, or an application submitted through video conference.
- Applicants must submit a signed application within 30 days of the date of the phone or video conference application for benefits to be issued.

B. Census Worker Income Excluded

Effective July 1, 2023, income earned by census workers is not counted when determining or redetermining eligibility or benefits and is not counted towards the asset limit when retained. Census worker income is income earned while working as a census worker responsible for recording the housing units and residents in a specific geographic area. This change applies to MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP.

C. Drug Testing Reform

Effective July 1, 2023, the following changes go into effect as a result of the legislation to legalize the adult use of cannabis:
• People with felony cannabis convictions are no longer included in the report that the state court administrator provides every six months to DHS.

• Convictions related to cannabis, marijuana, or tetrahydrocannabinols are no longer included in the list of substances that subject someone to random drug testing.

• Test results containing cannabis, marijuana, or tetrahydrocannabinols are no longer considered a positive test.

Effective August 1, 2023, the following changes go into effect related to drug testing policies:

• Subjecting persons convicted of felony drug offenses to random drug testing is optional for counties and Tribal Nations.

• Only individuals convicted of a felony-level drug offense in the ten years prior to the date of application or recertification may be subject to random drug testing. Subsequent convictions for felony-level drug offenses do not impact eligibility or benefits.

• Removes all sanctions and disqualifications for people who fail a random drug test.

• If a county or Tribal Nation chooses to require random drug testing and a person fails the drug test, the local agency must provide information about substance use disorder treatment programs to the person.

These changes apply to MFIP, DWP, GA, MSA, RCA, and SNAP.

D. Exclude Income Received from Health and Human Services Lived-Experience Engagement

Effective August 1, 2023, income funded in part or in whole by federal, state, local government, Tribal Nation, public, private, or philanthropic money and received by a person with lived experience (e.g., homelessness, food insecurity, etc.) in exchange for engagement or consultation with a federal, Tribal, state, county, municipal, or nonprofit human services agency to gather and share feedback on the impact of human services programs is not counted when determining or redetermining eligibility or benefits. This income is also not counted towards the asset limit when retained. This change applies to MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP.

E. Increasing the Time to Apply for Other Maintenance Benefits

Effective August 1, 2023, applicants for General Assistance and Housing Support have up to 90 days to apply for other maintenance benefits for which they appear eligible.

F. Exclude Tribal Per Capita Income

Effective January 1, 2024, Tribal per capita payments are not counted when determining or redetermining eligibility or benefits. Do not count a Tribal per capita payment as an asset during the month the client
receives it. Tribal per capita payments retained into the next month lose that exclusion. This change applies to MFIP, DWP, GA, MSA, Housing Support, and CCAP.

G. Increasing the MSA Representative Payee Special Need Standard

Effective January 1, 2024, the special need allowance for MSA recipients who pay for representative payee services is increased to the maximum monthly amount allowed by the Social Security Administration.

H. People with U Visas Eligible for MFIP, DWP, and GA

Effective March 1, 2024, people with U visas are eligible for MFIP, DWP, and GA if they meet all other eligibility criteria. People with U visas are crime victims who have suffered mental or physical abuse and are helpful to law enforcement or government officials in the investigation or prosecution of criminal activity.

I. Exclude Nonrecurring Unearned Income

Effective July 1, 2024, nonrecurring unearned income is not counted when determining or redetermining eligibility or benefits unless the income meets the definition of earned income or is identified as an unearned income source at Minnesota Statutes, section 256P.06, subdivision 3(2). This change applies to MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP.

J. Exclude Retirement, Survivors, and Disability Insurance (RSDI) Payments at or below Supplemental Security Income (SSI) Level

Effective September 1, 2024, RSDI income that is at or below the federal SSI level is not counted when determining or redetermining eligibility or benefits. This change applies to MFIP, DWP, and CCAP.

K. Housing Assistance Grant Annual Cost-of-Living Adjustment

Effective October 1, 2024, a cost-of-living adjustment is made each year to the MFIP housing assistance grant (currently $110/month). The adjustment will be based on the Consumer Price Index from the prior calendar year. This change applies to MFIP and RCA.

L. Housing Support Countable Income Change

Effective October 1, 2024, Housing Support recipients with unearned income will pay 30% of their total income toward their housing costs if they live in a community-based supportive housing setting.
M. GA Assistance Standard Increase

Effective October 1, 2024, the assistance standard for General Assistance recipients living in the community will increase to $350, with annual cost-of-living adjustments based on the Consumer Price Index from the prior year. This is the first increase to this standard since 1986.

The GA personal needs allowance for people residing in facilities is not affected by this change.

N. Housing Support Transitional Eligibility for People Exiting Incarceration

Effective November 1, 2024, people who have a certified disability or disabling condition who are exiting a Minnesota correctional facility without a fixed, adequate nighttime residence are eligible for Housing Support for up to three months. Any income received by people is not countable during the transitional period of eligibility.

O. Six-Month Budgeting

Effective March 1, 2025, the following changes go into effect for all MFIP and RCA assistance units and GA assistance units with at least $100 in earnings:

- Six-month budget periods will be used.
- Prospective budgeting will be used for determining benefits.
- Six-month reviews will be used to examine income and other essential information to determine eligibility and benefit levels for the next six months.
- Assistance units are not required to report changes in income during the six-month budget period but have the option to have benefits adjusted if their income decreases before a scheduled six-month review.
- Assistance units must report changes in other essential information that affects eligibility or benefits by the tenth of the month following the month that the assistance unit’s circumstances changed.

These changes primarily apply to MFIP, RCA, and GA but there are some uniformity changes that also apply to programs subject to the requirements of chapter 256P.

P. Paid Family and Medical Leave Benefits

Effective January 1, 2026, the following changes go into effect as a result of the legislation to provide paid family and medical leave benefits:

- A parent who is participating in MFIP and receiving paid family and medical leave benefits is not required to participate in employment services.
• Single parents receiving paid family and medical leave benefits are not eligible for DWP but are eligible for MFIP.

• If one parent in a two-parent family is participating in DWP and receiving paid family and medical leave benefits, the parent receiving paid family and medical leave benefits is exempt from work requirements and is not required to have an employment plan while receiving paid family and medical leave benefits.

• Paid family and medical leave benefits are considered earned income for MFIP, DWP, RCA, GA, MSA, Housing Support, and CCAP.

Q. Diversionary Work Program Repealed

Effective March 1, 2026, the Diversionary Work Program is repealed. Families eligible for DWP when this change occurs will be eligible for MFIP if they meet all other eligibility criteria.

R. MFIP Sanction Reform

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

• Sanction applied to the cash portion only of the MFIP benefit received by an assistance unit.

• Noncompliance with employment services or orientation rules will result in a 5% reduction of the cash portion received by an assistance unit.

• Refusal to cooperate with child support requirements will result in a 25% reduction of the cash portion received by an assistance unit.

• If a parent is out of compliance with employment services/orientation and child support requirements, the sanction must be a 25% reduction of the cash portion received in the assistance unit.

• If a parent comes back into compliance by the 15th of a month in which the sanction is being imposed, the sanction amount will be restored.

• A case will be closed due to seven consecutive sanction occurrences but not permanently disqualified.

• Once a parent comes into compliance, the sanction count will be reset to zero.

• Same sanction policy for pre-60 month cases and post-60 month cases.

• No requirement to vendor pay for shelter costs due to sanction.

• No requirement that a parent be in compliance in the 60th month to be eligible for a post-60 month hardship extension.

• No requirement to be in compliance for 10 out of the past 12 months to be eligible for a post-60 month hardship extension for families with an employed participant.
• Employed participants with a post-60 hardship extension who fail to meet work requirements can be sanctioned but not permanently disqualified.

III. Legal References

Minnesota Statues, Chapter 119B
Minnesota Statues, Chapter 168B
Minnesota Statutes, Chapter 256
Minnesota Statutes, Chapter 256D
Minnesota Statutes, Chapter 256I
Minnesota Statutes, Chapter 256J
Minnesota Statutes, Chapter 256P
Minnesota Statutes, Chapter 261
Minnesota Statutes, Chapter 514
Minnesota Statutes, Chapter 550
Minnesota Statutes, Chapter 551
Minnesota Statutes, Chapter 571
Minnesota Statutes, Chapter 609B
Laws of Minnesota 2023, Chapter 59
Laws of Minnesota 2023, Chapter 63
Laws of Minnesota 2023, Chapter 70

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-3809 (voice) or by using your preferred relay service. For other information on disability rights and protections, contact the agency’s ADA coordinator.