

SF652 - 0 - MFIP General Citizenship Requirements

Chief Author: **Melissa Wiklund**
 Committee: **Health And Human Services**
 Date Completed: **3/15/2023 9:41:16 AM**
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	201	707	739	766	
Total	-	201	707	739	766	
Biennial Total			908			1,505

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Kate Schiller **Date:** 3/15/2023 9:41:16 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
General Fund	-	201	707	739	766	
Total	-	201	707	739	766	
Biennial Total			908			1,505
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	201	707	739	766	
Total	-	201	707	739	766	
Biennial Total			908			1,505
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-			-

Bill Description

This bill codifies that people with T-visas (victims of human trafficking) and people with U-visas (victims of criminal activity) are eligible for MFIP and GA. Technically, people with T-visas are already eligible for federal funding and have an Office of Refugee Resettlement designation as eligible for all federal programs and services to the same extent as refugees. Therefore, there is no additional state cost generated by the addition of T-visa holders to this statute.

People with U-visas are not eligible for federal means-tested benefits but this change in statute makes them eligible for state-funded MFIP/DWP, GA and the state funded MFIP state food.

Assumptions

It is assumed that the MFIP/DWP caseload will rise. In this proposal, U-visa holders would be eligible for state funded MFIP/DWP cash, state funded MFIP housing grant and MFIP state food. It is estimated that there are around 1,700 U-visa holders in Minnesota based on nationwide migration trends and the total number of U-visa holders in the country. 24% of U-visa holders are assumed to meet MFIP/DWP’s income requirements based on poverty rates in comparable populations. Of this group, 50% are assumed to engage in the program, slightly less than the general population’s take-up rate of MFIP/DWP. This results in a 0.1% increase in MFIP/DWP cases over a 12 month period.

It is assumed that some U-visa holders would also choose to enroll in CCAP. Under this bill U-visa holders who are eligible for MFIP would be eligible for MFIP/TY child care. A childcare take-up rate similar to the rest of MFIP and a one-year phase-in are assumed. There is no fiscal impact on the Basic Sliding Fee Program.

The fiscal impact of this proposal is higher GA cost due to increased GA recipients. In this proposal, U-visa holders would be eligible for state funded GA. It is estimated that there are around 1,700 U-visa holders in Minnesota. Using the same methodology used in estimating MFIP/DWP caseload effect it is estimated that there would be an increase in 0.1% GA recipients over 12 month period.

This proposal would be implemented 3/1/2024, with MFIP implementation subject to USDA approval.

IT systems changes would be required to implement this change in MAXIS, the computer system used by state and county workers to determine eligibility for MFIP. These systems changes are estimated to require 1,771 hours of work, take approximately 8 months to complete, and cost a total of \$175,329 for initial development. State share is assumed at 55%. This estimate includes the following assumptions:

The estimated duration and earliest completion date of the proposed project(s) assumes the work is prioritized relative to other legislative and ongoing IT work. If enacted, the completion date of the proposed project(s) will be dependent on the totality of enacted legislative IT work and ongoing IT work.

The total hours assumed in this fiscal note include the projected time required to complete systems work and a 20% contingency assumption to account for unforeseen business requirements in the development and implementation process.

In addition to the initial development costs cited above, the systems changes required in this bill will result in increased ongoing maintenance and operations costs, estimated annually at 20% of the total initial development cost.

Expenditure and/or Revenue Formula

MFIP	FY2024	FY2025	FY2026	FY2027
Average monthly MFIP caseload	25,636	25,731	25,651	25,592
Percent increase due to U-visa	0.1%	0.1%	0.1%	0.1%
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Average monthly cases MFIP with U-visa	30	30	30	30
Average cash grant	\$578	\$586	\$594	\$600
Average food grant	\$610	\$622	\$635	\$647
Percent using HG in MFIP	72%	72%	72%	72%
Average housing grant	\$110	\$110	\$110	\$110
Months	4	12	12	12
Phase-in	50%	100%	100%	100%
	-----	-----	-----	-----
MFIP cost	\$76,920	\$470,520	\$476,466	\$482,256
DWP	FY2024	FY2025	FY2026	FY2027
Average monthly DWP caseload	1,528	1,631	1,626	1,622
Percent increase due to U-visa	0.1%	0.1%	0.1%	0.1%
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Average monthly cases DWP with U-visa	2	2	2	2
Average cash grant	\$601	\$609	\$617	\$623
Months	4	12	12	12
Phase-in	50%	100%	100%	100%
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DWP cost	\$2,171	\$14,097	\$14,236	\$14,347

MFIP/TY CCAP	FY2024	FY2025	FY2026	FY2027
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Average monthly cases with U-visa	30	30	30	30	
MFIP/TY CCAP usage	15.5%	18.0%	20.0%	21.3%	
		-----	-----	-----	-----
Average monthly new MFIP/TY CCAP cases	5	5	6	6	
Average MFIP/TY direct service payments	\$2,037	\$2,200	\$2,310	\$2,425	
Months	4	12	12	12	
Phase-in/Billing lag	46%	100%	100%	100%	
		-----	-----	-----	-----
Direct service BSF cost	\$17,559	\$144,673	\$168,263	\$187,656	
Administrative allowance	\$878	\$7,234	\$8,413	\$9,383	
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MFIP/TY cost	\$18,437	\$151,907	\$176,677	\$197,038	

GA	FY2024	FY2025	FY2026	FY2027
Average monthly GA	22,381	22,381	22,854	22,897
Percent increase due to U-visa	0.1%	0.1%	0.1%	0.1%
		-----	-----	-----
Average monthly GA cases with U-visa	25	25	26	26
Average GA only payments	\$168	\$169	\$170	\$171
Months	4	12	12	12
Phase-in	50%	100%	100%	100%
		-----	-----	-----
GA cost	\$8,445	\$50,972	\$52,361	\$52,776

Summary: HF238	FY2024	FY2025	FY2026	FY2027
		(in thousands)		
MFIP/DWP cost	\$79	\$485	\$491	\$497
CCAP MFIP/TY cost	\$18	\$152	\$177	\$197
GA cost	\$8	\$51	\$52	\$53
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Total cost	\$106	\$687	\$720	\$746

*Due to rounding in the underlying formulas, the totals may not be a product of the inputs in the tables

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2024	FY2025	FY2026	FY2027

1000		MFIP/DWP	79	485	491	497
1000		General Assistance	8	51	52	53
1000		CCAP	18	152	177	197
1000		MAXIS @ 55%	96	19	19	19
		Total Net Fiscal Impact	201	707	739	766
		Full Time Equivalents	0	0	0	0

Long-Term Fiscal Considerations

This creates an ongoing obligation for the state.

Local Fiscal Impact

References/Sources

Department of Human Services, Reports and Forecasts

Department of Human Services, Children and Family Services

National Academies of Sciences, Engineering, and Medicine. 2019. A Roadmap to Reducing Child Poverty. Washington, DC: The National Academies Press. <https://doi.org/10.17226/25246>.

Agency Contact:

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