

ST PAUL

AREA CHAMBER

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MAKING CONNECTIONS THAT COUNT

March 22, 2023

Senator Melissa Wiklund, Chair, Senate Health and Human Services Committee
2107 Minnesota Senate Building
St. Paul, MN 55155

Dear Chair Wiklund and committee members:

On behalf of the 1700+ members and affiliates of the St. Paul Area Chamber, who together represent more than 3 million employees and their families, thank you for the opportunity to comment on S.F. 2966. Addressing the benefits cliff is one of the St. Paul Area Chamber's top advocacy priorities of 2023, and we appreciate that several provisions of the Governor's budget proposal do just that.

For low-wage workers seeking advancement, the realities of public assistance policies are often an inhibitor to success. Workers face a benefits cliff when they receive public assistance, earn a raise, and then discover that they now make too much to receive their benefits, but the pay increase is not enough to make up the difference of lost benefits.

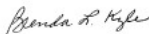
While some may not immediately recognize this as a business issue, it absolutely is. Businesses want to retain and advance talented employees, especially in this tight labor market. When taking on a promotion would cause a worker a net loss in overall resources to support their family, it negatively impacts the employee's professional development as well as the employer's operations.

Specifically, we are supportive of the following provisions contained in this bill:

- Capping at 30% the amount of "unearned income" an individual must pay towards their Housing Support costs. (Article 5, Sections 4, 9, and 10)
- Changing MN Family Investment Program income reporting requirements from monthly to every six months. (Article 4, Section 42)
- Providing for one year of medical assistance eligibility for children under 21, once deemed eligible for the program, and eligibility up to age six for those under six. (Article 8, Section 8)

As the committee works to develop its budget, we hope you will include these measures to meaningfully address the benefits cliff.

Respectfully,



B Kyle
President & CEO
St. Paul Area Chamber

