

## History of the Minnesota Family Investment Program

The Minnesota Family Investment Program provides temporary financial assistance, food assistance and work supports to families with low incomes, minor children and pregnant persons. Launched as a statewide welfare reform program in 1998, it is under continual review and improvement.

**1988:** Gov. Rudy Perpich asks the Minnesota Legislature to authorize the Department of Human Services to pursue a federal waiver to redesign and pilot a welfare program for Minnesota families.

**1994:** Field trials of the Minnesota Family Investment Program begin.

**1996:** President Bill Clinton signs the federal welfare reform bill. Minnesota is granted federal approval for additional waivers to introduce new field trials in preparation for a statewide program.

**1997:** Evaluation by Manpower Demonstration Research Corp. indicates that financial incentives and mandates to work in the field trial pilots increased income and moved more families out of poverty than the existing federal program, Aid to Families with Dependent Children.

**1997:** Gov. Arne Carlson signs legislation to create the statewide Minnesota Family Investment Program, which introduces the federally mandated 60-month lifetime limit to assistance.

**2000:** Gov. Jesse Ventura releases additional results from the field trials evaluation that indicate increased marriage rates, decreased domestic violence and improved children's school performance.

**2001:** The Minnesota Legislature develops criteria to extend some families beyond the 60-month time limit.

**2003:** The Minnesota Legislature adopts Gov. Tim Pawlenty's proposals to reduce assistance to families with parents or children with disabilities and working parents and families in subsidized housing. It requires parents pursuing education to also work, introduces full family sanctions and freezes assistance to families with newborns.

**2004:** A new four-month assistance program, the Diversionary Work Program, is designed to meet specific crises and help families move immediately to employment.

**2006:** The Federal Deficit Reduction Act of 2005 requires new documentation and verification procedures to monitor work activities, creating new documentation for job counselors and participants.

**2007:** The Minnesota Legislature restores full assistance to families and children with disabilities and lifts work requirements on parents pursuing education for up to one year.

**2008:** Family Stabilization Services is added to the Minnesota Family Investment Program for families with significant challenges who need more flexible services than those allowed under federal law.

**2009:** The Work Benefit Program is added, which now provides an incentive of \$50 a month for up to 24 months to parents leaving the Minnesota Family Investment Program with a job. The incentive is reduced to \$25 in 2010.

**2013:** The Minnesota Legislature creates a \$110 monthly housing assistance grant for some families, beginning July 1, 2015.

**2014:** The Work Benefit Program is suspended, and the earned income disregard is significantly increased, as recommended by Gov. Mark Dayton and approved in the 2013 legislative session.

**2014:** The Minnesota Legislature clarifies and increases access to adult basic education, English language learning and post-secondary education for parents receiving Minnesota Family Investment Program benefits.

**2015:** The family cap, the policy freezing assistance levels for families with newborns, ends. Child support received by families on the Minnesota Family Investment Program is excluded up to \$100 for families with one child or up to \$200 for families with two or more children when calculating families' benefit amounts.

**2017:** The Minnesota Legislature passes a bill that excludes a new spouse's income for 12 consecutive months from the marriage certificate date, provided the combined family income does not exceed the respective program income caps. It took effect on Dec. 1, 2018.

**2019:** The Minnesota Legislature passes a bill, and Gov. Tim Walz signs into law a cash grant increase for Minnesota Family Investment Program and Diversionary Work Program families. Families began receiving increased benefits on Feb. 1, 2020.

**2021:** The Minnesota Legislature agrees to use federal American Rescue Plan Act funds, which are intended for COVID-19 pandemic relief, to finance a one-time supplemental payment of up to \$435 for families receiving assistance through the Minnesota Family Investment Program. The one-time payment was issued in October 2021. A second one-time payment was issued in September 2022 to eligible MFIP households who did not receive the first payment.

**2021:** The Minnesota Legislature passes a bill approving a cost-of-living increase for Minnesota Family Investment Program benefits. Families in the program will receive incremental annual benefits adjustments based on the Consumer Price Index. The cost-of-living adjustments will be applied in October of each year.

**2023:** The Minnesota Legislature agrees to repeal the Diversionary Work Program effective March 1, 2026. Families eligible for DWP when this change occurs will be eligible for MFIP if they meet all other eligibility criteria.

**2023:** The Minnesota Legislature agrees that effective October 1, 2024, a cost-of-living adjustment will be 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.



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