

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH LEGISLATURE

S.F. No. 1159

(SENATE AUTHORS: LOUREY)

| DATE | D-PG | OFFICIAL STATUS |
|------------|-------|--|
| 03/07/2013 | 684 | Introduction and first reading Referred to Health, Human Services and Housing |
| 03/18/2013 | 1150a | Comm report: To pass as amended and re-refer to Finance |

A bill for an act

1.1 relating to human services; modifying provisions to promote the safe and healthy
1.2 development of children; modifying provisions related to child care programs,
1.3 human services licensing, background studies, foster care, and the Minnesota
1.4 family investment program; establishing Northstar Care for Children; amending
1.5 Minnesota Statutes 2012, sections 119B.011, by adding a subdivision; 119B.02,
1.6 by adding a subdivision; 119B.025, subdivision 1; 119B.03, subdivision 4;
1.7 119B.05, subdivision 1; 119B.13, subdivisions 1, 1a, 6, by adding subdivisions;
1.8 245A.07, subdivision 2a; 245A.1435; 245A.144; 245A.1444; 245A.40,
1.9 subdivision 5; 245A.50; 245C.08, subdivision 1; 245C.33, subdivision 1;
1.10 256.0112, by adding a subdivision; 256.82, subdivisions 2, 3; 256.98, subdivision
1.11 8; 256J.08, subdivision 24; 256J.21, subdivisions 2, 3; 256J.24, subdivisions 3,
1.12 7; 256J.621; 256J.626, subdivision 7; 257.85, subdivisions 2, 5, 6; 260C.446;
1.13 proposing coding for new law in Minnesota Statutes, chapters 245A; 256J;
1.14 259A; 260C; proposing coding for new law as Minnesota Statutes, chapter
1.15 256N; repealing Minnesota Statutes 2012, sections 256.82, subdivision 4;
1.16 256J.24, subdivision 10; 260C.441; Minnesota Rules, parts 3400.0130, subpart
1.17 8; 9502.0355, subpart 4; 9560.0650, subparts 1, 3, 6; 9560.0651; 9560.0655.

1.19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.20 Section 1. Minnesota Statutes 2012, section 119B.011, is amended by adding a
1.21 subdivision to read:

1.22 Subd. 19b. **Student parent.** "Student parent" means a person who is:

1.23 (1) under 21 years of age and has a child;

1.24 (2) pursuing a high school or general equivalency diploma;

1.25 (3) residing within a county that has a basic sliding fee waiting list under section
1.26 119B.03, subdivision 4; and

1.27 (4) not an MFIP participant.

1.28 **EFFECTIVE DATE.** This section is effective November 11, 2013.

2.1 Sec. 2. Minnesota Statutes 2012, section 119B.02, is amended by adding a subdivision
2.2 to read:

2.3 Subd. 7. **Child care market rate survey.** Biennially, the commissioner shall survey
2.4 prices charged by child care providers in Minnesota to determine the 75th percentile for
2.5 like-care arrangements in county price clusters.

2.6 **EFFECTIVE DATE.** This section is effective September 16, 2013.

2.7 Sec. 3. Minnesota Statutes 2012, section 119B.025, subdivision 1, is amended to read:

2.8 Subdivision 1. **Factors which must be verified.** (a) The county shall verify the
2.9 following at all initial child care applications using the universal application:

2.10 (1) identity of adults;

2.11 (2) presence of the minor child in the home, if questionable;

2.12 (3) relationship of minor child to the parent, stepparent, legal guardian, eligible
2.13 relative caretaker, or the spouses of any of the foregoing;

2.14 (4) age;

2.15 (5) immigration status, if related to eligibility;

2.16 (6) Social Security number, if given;

2.17 (7) income;

2.18 (8) spousal support and child support payments made to persons outside the
2.19 household;

2.20 (9) residence; and

2.21 (10) inconsistent information, if related to eligibility.

2.22 (b) If a family did not use the universal application or child care addendum to apply
2.23 for child care assistance, the family must complete the universal application or child care
2.24 addendum at its next eligibility redetermination and the county must verify the factors
2.25 listed in paragraph (a) as part of that redetermination. Once a family has completed a
2.26 universal application or child care addendum, the county shall use the redetermination
2.27 form described in paragraph (c) for that family's subsequent redeterminations. Eligibility
2.28 must be redetermined at least every six months. A family is considered to have met the
2.29 eligibility redetermination requirement if a complete redetermination form and all required
2.30 verifications are received within 30 days after the date the form was due. Assistance shall
2.31 be payable retroactively from the redetermination due date. For a family where at least
2.32 one parent is under the age of 21, does not have a high school or general equivalency
2.33 diploma, and is a student in a school district or another similar program that provides or
2.34 arranges for child care, as well as parenting, social services, career and employment
2.35 supports, and academic support to achieve high school graduation, the redetermination of

3.1 eligibility shall be deferred beyond six months, but not to exceed 12 months, to the end of
3.2 the student's school year. If a family reports a change in an eligibility factor before the
3.3 family's next regularly scheduled redetermination, the county must recalculate eligibility
3.4 without requiring verification of any eligibility factor that did not change.

3.5 (c) The commissioner shall develop a redetermination form to redetermine eligibility
3.6 and a change report form to report changes that minimize paperwork for the county and
3.7 the participant.

3.8 **EFFECTIVE DATE.** This section is effective August 4, 2014.

3.9 Sec. 4. Minnesota Statutes 2012, section 119B.03, subdivision 4, is amended to read:

3.10 Subd. 4. **Funding priority.** (a) First priority for child care assistance under the
3.11 basic sliding fee program must be given to eligible non-MFIP families who do not have a
3.12 high school or general equivalency diploma or who need remedial and basic skill courses
3.13 in order to pursue employment or to pursue education leading to employment and who
3.14 need child care assistance to participate in the education program. This includes student
3.15 parents as defined under section 119B.011, subdivision 19b. Within this priority, the
3.16 following subpriorities must be used:

3.17 (1) child care needs of minor parents;

3.18 (2) child care needs of parents under 21 years of age; and

3.19 (3) child care needs of other parents within the priority group described in this
3.20 paragraph.

3.21 (b) Second priority must be given to parents who have completed their MFIP or
3.22 DWP transition year, or parents who are no longer receiving or eligible for diversionary
3.23 work program supports.

3.24 (c) Third priority must be given to families who are eligible for portable basic sliding
3.25 fee assistance through the portability pool under subdivision 9.

3.26 (d) Fourth priority must be given to families in which at least one parent is a veteran
3.27 as defined under section 197.447.

3.28 (e) Families under paragraph (b) must be added to the basic sliding fee waiting list
3.29 on the date they begin the transition year under section 119B.011, subdivision 20, and
3.30 must be moved into the basic sliding fee program as soon as possible after they complete
3.31 their transition year.

3.32 **EFFECTIVE DATE.** This section is effective November 11, 2013.

3.33 Sec. 5. Minnesota Statutes 2012, section 119B.05, subdivision 1, is amended to read:

4.1 Subdivision 1. **Eligible participants.** Families eligible for child care assistance
4.2 under the MFIP child care program are:

4.3 (1) MFIP participants who are employed or in job search and meet the requirements
4.4 of section 119B.10;

4.5 (2) persons who are members of transition year families under section 119B.011,
4.6 subdivision 20, and meet the requirements of section 119B.10;

4.7 (3) families who are participating in employment orientation or job search, or
4.8 other employment or training activities that are included in an approved employability
4.9 development plan under section 256J.95;

4.10 (4) MFIP families who are participating in work job search, job support,
4.11 employment, or training activities as required in their employment plan, or in appeals,
4.12 hearings, assessments, or orientations according to chapter 256J;

4.13 (5) MFIP families who are participating in social services activities under chapter
4.14 256J as required in their employment plan approved according to chapter 256J;

4.15 (6) families who are participating in services or activities that are included in an
4.16 approved family stabilization plan under section 256J.575;

4.17 (7) families who are participating in programs as required in tribal contracts under
4.18 section 119B.02, subdivision 2, or 256.01, subdivision 2; ~~and~~

4.19 (8) families who are participating in the transition year extension under section
4.20 119B.011, subdivision 20a; and

4.21 (9) student parents as defined under section 119B.011, subdivision 19b.

4.22 **EFFECTIVE DATE.** This section is effective November 11, 2013.

4.23 Sec. 6. Minnesota Statutes 2012, section 119B.13, subdivision 1, is amended to read:

4.24 Subdivision 1. **Subsidy restrictions.** (a) ~~Beginning October 31, 2011~~ September 16,
4.25 2013, the maximum rate paid for child care assistance in any county or ~~multicounty region~~
4.26 county price cluster under the child care fund shall be the ~~rate for like-care arrangements in~~
4.27 the county effective July 1, 2006, decreased by 2.5 percent greater of the 25th percentile of
4.28 the 2011 child care provider rate survey or the maximum rate effective November 28, 2011.
4.29 The commissioner may: (1) assign a county with no reported provider prices to a similar
4.30 price cluster; and (2) consider county level access when determining final price clusters.

4.31 (b) ~~Biennially, beginning in 2012, the commissioner shall survey rates charged~~
4.32 ~~by child care providers in Minnesota to determine the 75th percentile for like-care~~
4.33 ~~arrangements in counties. When the commissioner determines that, using the~~
4.34 ~~commissioner's established protocol, the number of providers responding to the survey is~~
4.35 ~~too small to determine the 75th percentile rate for like-care arrangements in a county or~~

5.1 ~~multicounty region, the commissioner may establish the 75th percentile maximum rate~~
 5.2 ~~based on like-care arrangements in a county, region, or category that the commissioner~~
 5.3 ~~deems to be similar.~~

5.4 (e) (b) A rate which includes a special needs rate paid under subdivision 3 or under a
 5.5 school readiness service agreement paid under section 119B.231, may be in excess of the
 5.6 maximum rate allowed under this subdivision.

5.7 (d) (c) The department shall monitor the effect of this paragraph on provider rates.
 5.8 The county shall pay the provider's full charges for every child in care up to the maximum
 5.9 established. The commissioner shall determine the maximum rate for each type of care
 5.10 on an hourly, full-day, and weekly basis, including special needs and disability care. The
 5.11 maximum payment to a provider for one day of care must not exceed the daily rate. The
 5.12 maximum payment to a provider for one week of care must not exceed the weekly rate.

5.13 (e) (d) Child care providers receiving reimbursement under this chapter must not
 5.14 be paid activity fees or an additional amount above the maximum rates for care provided
 5.15 during nonstandard hours for families receiving assistance.

5.16 (f) (e) When the provider charge is greater than the maximum provider rate allowed,
 5.17 the parent is responsible for payment of the difference in the rates in addition to any
 5.18 family co-payment fee.

5.19 (g) (f) All maximum provider rates changes shall be implemented on the Monday
 5.20 following the effective date of the maximum provider rate.

5.21 (g) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum
 5.22 registration fees in effect on January 1, 2013, shall remain in effect.

5.23 Sec. 7. Minnesota Statutes 2012, section 119B.13, subdivision 1a, is amended to read:

5.24 Subd. 1a. **Legal nonlicensed family child care provider rates.** (a) Legal
 5.25 nonlicensed family child care providers receiving reimbursement under this chapter must
 5.26 be paid on an hourly basis for care provided to families receiving assistance.

5.27 (b) The maximum rate paid to legal nonlicensed family child care providers must be
 5.28 68 percent of the county maximum hourly rate for licensed family child care providers. In
 5.29 counties or county price clusters where the maximum hourly rate for licensed family child
 5.30 care providers is higher than the maximum weekly rate for those providers divided by 50,
 5.31 the maximum hourly rate that may be paid to legal nonlicensed family child care providers
 5.32 is the rate equal to the maximum weekly rate for licensed family child care providers
 5.33 divided by 50 and then multiplied by 0.68. The maximum payment to a provider for one
 5.34 day of care must not exceed the maximum hourly rate times ten. The maximum payment
 5.35 to a provider for one week of care must not exceed the maximum hourly rate times 50.

6.1 (c) A rate which includes a special needs rate paid under subdivision 3 may be in
6.2 excess of the maximum rate allowed under this subdivision.

6.3 (d) Legal nonlicensed family child care providers receiving reimbursement under
6.4 this chapter may not be paid registration fees for families receiving assistance.

6.5 **EFFECTIVE DATE.** This section is effective September 16, 2013.

6.6 Sec. 8. Minnesota Statutes 2012, section 119B.13, is amended by adding a subdivision
6.7 to read:

6.8 **Subd. 3b. Provider rate differential for Parent Aware.** A family child care
6.9 provider or child care center shall be paid a 15 percent differential if they hold a three-star
6.10 Parent Aware rating or a 20 percent differential if they hold a four-star Parent Aware
6.11 rating. A 15 percent or 20 percent rate differential must be paid above the maximum rate
6.12 established in subdivision 1, up to the actual provider rate.

6.13 **EFFECTIVE DATE.** This section is effective March 3, 2014.

6.14 Sec. 9. Minnesota Statutes 2012, section 119B.13, is amended by adding a subdivision
6.15 to read:

6.16 **Subd. 3c. Weekly rate paid for children attending high-quality care.** A licensed
6.17 child care provider or license-exempt center may be paid up to the applicable weekly
6.18 maximum rate, not to exceed the provider's actual charge, when the following conditions
6.19 are met:

6.20 (1) the child is age birth to five years, but not yet in kindergarten;

6.21 (2) the child attends a child care provider that qualifies for the rate differential
6.22 identified in subdivision 3a or 3b; and

6.23 (3) the applicant's activities qualify for at least 30 hours of care per week under
6.24 sections 119B.03, 119B.05, 119B.10, and Minnesota Rules, chapter 3400.

6.25 **EFFECTIVE DATE.** This section is effective August 4, 2014.

6.26 Sec. 10. Minnesota Statutes 2012, section 119B.13, subdivision 6, is amended to read:

6.27 **Subd. 6. Provider payments.** (a) The provider shall bill for services provided
6.28 within ten days of the end of the service period. If bills are submitted within ten days of
6.29 the end of the service period, payments under the child care fund shall be made within 30
6.30 days of receiving a bill from the provider. Counties or the state may establish policies that
6.31 make payments on a more frequent basis.

7.1 (b) If a provider has received an authorization of care and been issued a billing form
7.2 for an eligible family, the bill must be submitted within 60 days of the last date of service on
7.3 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
7.4 county determines that the provider has shown good cause why the bill was not submitted
7.5 within 60 days. Good cause must be defined in the county's child care fund plan under
7.6 section 119B.08, subdivision 3, and the definition of good cause must include county error.
7.7 Any bill submitted more than a year after the last date of service on the bill must not be paid.

7.8 (c) If a provider provided care for a time period without receiving an authorization
7.9 of care and a billing form for an eligible family, payment of child care assistance may only
7.10 be made retroactively for a maximum of six months from the date the provider is issued
7.11 an authorization of care and billing form.

7.12 (d) A county may refuse to issue a child care authorization to a licensed or legal
7.13 nonlicensed provider, revoke an existing child care authorization to a licensed or legal
7.14 nonlicensed provider, stop payment issued to a licensed or legal nonlicensed provider, or
7.15 refuse to pay a bill submitted by a licensed or legal nonlicensed provider if:

7.16 (1) the provider admits to intentionally giving the county materially false information
7.17 on the provider's billing forms;

7.18 (2) a county finds by a preponderance of the evidence that the provider intentionally
7.19 gave the county materially false information on the provider's billing forms;

7.20 (3) the provider is in violation of child care assistance program rules, until the
7.21 agency determines those violations have been corrected;

7.22 (4) the provider is operating after receipt of an order of suspension or an order
7.23 of revocation of the provider's license, or the provider has been issued an order citing
7.24 violations of licensing standards that affect the health and safety of children in care due to
7.25 the nature, chronicity, or severity of the licensing violations, until the licensing agency
7.26 determines those violations have been corrected;

7.27 (5) the provider submits false attendance reports or refuses to provide documentation
7.28 of the child's attendance upon request; or

7.29 (6) the provider gives false child care price information.

7.30 The county may withhold the provider's authorization or payment for a period of
7.31 time not to exceed three months beyond the time the condition has been corrected.

7.32 (e) A county's payment policies must be included in the county's child care plan
7.33 under section 119B.08, subdivision 3. If payments are made by the state, in addition to
7.34 being in compliance with this subdivision, the payments must be made in compliance
7.35 with section 16A.124.

7.36 **EFFECTIVE DATE.** This section is effective February 3, 2014.

8.1 Sec. 11. Minnesota Statutes 2012, section 245A.07, subdivision 2a, is amended to read:

8.2 Subd. 2a. **Immediate suspension expedited hearing.** (a) Within five working days
8.3 of receipt of the license holder's timely appeal, the commissioner shall request assignment
8.4 of an administrative law judge. The request must include a proposed date, time, and place
8.5 of a hearing. A hearing must be conducted by an administrative law judge within 30
8.6 calendar days of the request for assignment, unless an extension is requested by either
8.7 party and granted by the administrative law judge for good cause. The commissioner shall
8.8 issue a notice of hearing by certified mail or personal service at least ten working days
8.9 before the hearing. The scope of the hearing shall be limited solely to the issue of whether
8.10 the temporary immediate suspension should remain in effect pending the commissioner's
8.11 final order under section 245A.08, regarding a licensing sanction issued under subdivision
8.12 3 following the immediate suspension. The burden of proof in expedited hearings under
8.13 this subdivision shall be limited to the commissioner's demonstration that reasonable
8.14 cause exists to believe that the license holder's actions or failure to comply with applicable
8.15 law or rule poses, or if the actions of other individuals or conditions in the program poses
8.16 an imminent risk of harm to the health, safety, or rights of persons served by the program.
8.17 "Reasonable cause" means there exist specific articulable facts or circumstances which
8.18 provide the commissioner with a reasonable suspicion that there is an imminent risk of harm
8.19 to the health, safety, or rights of persons served by the program. When the commissioner
8.20 has determined there is reasonable cause to order the temporary immediate suspension of
8.21 a license based on a violation of safe sleep requirements, the commissioner is not required
8.22 to demonstrate that an infant died or was injured as a result of the safe sleep violations.

8.23 (b) The administrative law judge shall issue findings of fact, conclusions, and a
8.24 recommendation within ten working days from the date of hearing. The parties shall have
8.25 ten calendar days to submit exceptions to the administrative law judge's report. The
8.26 record shall close at the end of the ten-day period for submission of exceptions. The
8.27 commissioner's final order shall be issued within ten working days from the close of the
8.28 record. Within 90 calendar days after a final order affirming an immediate suspension, the
8.29 commissioner shall make a determination regarding whether a final licensing sanction
8.30 shall be issued under subdivision 3. The license holder shall continue to be prohibited
8.31 from operation of the program during this 90-day period.

8.32 (c) When the final order under paragraph (b) affirms an immediate suspension, and a
8.33 final licensing sanction is issued under subdivision 3 and the license holder appeals that
8.34 sanction, the license holder continues to be prohibited from operation of the program
8.35 pending a final commissioner's order under section 245A.08, subdivision 5, regarding the
8.36 final licensing sanction.

9.1 Sec. 12. Minnesota Statutes 2012, section 245A.1435, is amended to read:

9.2 **245A.1435 REDUCTION OF RISK OF SUDDEN UNEXPECTED INFANT**
 9.3 **DEATH SYNDROME IN LICENSED PROGRAMS.**

9.4 (a) When a license holder is placing an infant to sleep, the license holder must
 9.5 place the infant on the infant's back, unless the license holder has documentation from
 9.6 the infant's ~~parent~~ physician directing an alternative sleeping position for the infant. The
 9.7 ~~parent~~ physician directive must be on a form approved by the commissioner and must
 9.8 include a statement that the parent or legal guardian has read the information provided by
 9.9 the Minnesota Sudden Infant Death Center, related to the risk of SIDS and the importance
 9.10 of placing an infant or child on its back to sleep to reduce the risk of SIDS remain on file
 9.11 at the licensed location. An infant who independently rolls onto its stomach after being
 9.12 placed to sleep on its back may be allowed to remain sleeping on its stomach.

9.13 (b) The license holder must place the infant in a crib directly on a firm mattress with
 9.14 a fitted crib sheet that fits tightly on the mattress and overlaps the mattress so it cannot be
 9.15 dislodged by pulling on the corner of the sheet. The license holder must not place pillows,
 9.16 quilts, comforters, sheepskin, pillow-like stuffed toys, any loose bedding including but
 9.17 not limited to blankets and sheets, or other soft products in the crib with the infant. The
 9.18 requirements of this section apply to license holders serving infants ~~up to and including 12~~
 9.19 ~~months of age~~ younger than the age of one year. Licensed child care providers must meet
 9.20 the crib requirements under section 245A.146.

9.21 (c) If an infant falls asleep before being placed in a crib, the license holder must
 9.22 move the infant to a crib as soon as practicable, and must keep the infant within sight of
 9.23 the license holder until the infant is placed in a crib. When an infant falls asleep while
 9.24 being held, the license holder must consider the supervision needs of other children in
 9.25 care when determining how long to hold the infant before placing the infant in a crib to
 9.26 sleep. The sleeping infant must not be in a position where the airway may be blocked or
 9.27 with anything covering the infant's face.

9.28 Sec. 13. Minnesota Statutes 2012, section 245A.144, is amended to read:

9.29 **245A.144 TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT**
 9.30 **DEATH AND ~~SHAKEN BABY SYNDROME~~ ABUSIVE HEAD TRAUMA FOR**
 9.31 **CHILD FOSTER CARE PROVIDERS.**

9.32 (a) Licensed child foster care providers that care for infants or children through five
 9.33 years of age must document that before staff persons and caregivers assist in the care
 9.34 of infants or children through five years of age, they are instructed on the standards in
 9.35 section 245A.1435 and receive training on reducing the risk of sudden unexpected infant

10.1 death ~~syndrome and shaken baby syndrome~~ for abusive head trauma from shaking infants
 10.2 and young children. This section does not apply to emergency relative placement under
 10.3 section 245A.035. The training on reducing the risk of sudden unexpected infant death
 10.4 ~~syndrome and shaken baby syndrome~~ abusive head trauma may be provided as:

10.5 (1) orientation training to child foster care providers, who care for infants or children
 10.6 through five years of age, under Minnesota Rules, part 2960.3070, subpart 1; or

10.7 (2) in-service training to child foster care providers, who care for infants or children
 10.8 through five years of age, under Minnesota Rules, part 2960.3070, subpart 2.

10.9 (b) Training required under this section must be at least one hour in length and must
 10.10 be completed at least once every five years. At a minimum, the training must address
 10.11 the risk factors related to sudden unexpected infant death ~~syndrome and shaken baby~~
 10.12 ~~syndrome~~ abusive head trauma, means of reducing the risk of sudden unexpected infant
 10.13 death ~~syndrome and shaken baby syndrome~~ abusive head trauma, and license holder
 10.14 communication with parents regarding reducing the risk of sudden unexpected infant
 10.15 death ~~syndrome and shaken baby syndrome~~ abusive head trauma.

10.16 (c) Training for child foster care providers must be approved by the county or
 10.17 private licensing agency that is responsible for monitoring the child foster care provider
 10.18 under section 245A.16. The approved training fulfills, in part, training required under
 10.19 Minnesota Rules, part 2960.3070.

10.20 Sec. 14. Minnesota Statutes 2012, section 245A.1444, is amended to read:

10.21 **245A.1444 TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT**
 10.22 **~~DEATH SYNDROME AND SHAKEN-BABY SYNDROME~~ ABUSIVE HEAD**
 10.23 **TRAUMA BY OTHER PROGRAMS.**

10.24 A licensed chemical dependency treatment program that serves clients with infants
 10.25 or children through five years of age, who sleep at the program and a licensed children's
 10.26 residential facility that serves infants or children through five years of age, must document
 10.27 that before program staff persons or volunteers assist in the care of infants or children
 10.28 through five years of age, they are instructed on the standards in section 245A.1435 and
 10.29 receive training on reducing the risk of sudden unexpected infant death ~~syndrome~~ and
 10.30 ~~shaken baby syndrome~~ abusive head trauma from shaking infants and young children. The
 10.31 training conducted under this section may be used to fulfill training requirements under
 10.32 Minnesota Rules, parts 2960.0100, subpart 3; and 9530.6490, subpart 4, item B.

10.33 This section does not apply to child care centers or family child care programs
 10.34 governed by sections 245A.40 and 245A.50.

11.1 Sec. 15. **[245A.1446] FAMILY CHILD CARE DIAPERING AREA**

11.2 **DISINFECTION.**

11.3 Notwithstanding Minnesota Rules, part 9502.0435, a family child care provider may
11.4 disinfect the diaper changing surface with either a solution of at least two teaspoons
11.5 of chlorine bleach to one quart of water, or with a surface disinfectant that meets the
11.6 following criteria:

11.7 (1) the manufacturer's label or instructions state that the product is registered with
11.8 the United States Environmental Protection Agency;

11.9 (2) the manufacturer's label or instructions state that the disinfectant is effective
11.10 against Staphylococcus aureus, Salmonella choleroesuis, and Pseudomonas aeruginosa;

11.11 (3) the manufacturer's label or instructions state that the disinfectant is effective with
11.12 a ten-minute or less contact time;

11.13 (4) the disinfectant is clearly labeled by the manufacturer with directions for mixing
11.14 and use; and

11.15 (5) the disinfectant is used only in accordance with the manufacturer's directions.

11.16 Sec. 16. **[245A.147] FAMILY CHILD CARE INFANT SLEEP SUPERVISION**
11.17 **REQUIREMENTS.**

11.18 Subdivision 1. **In-person checks on infants.** (a) License holders that serve infants
11.19 are encouraged to monitor sleeping infants by conducting in-person checks on each infant
11.20 in their care every 30 minutes.

11.21 (b) Upon enrollment of an infant in a family child care program, the license holder
11.22 is encouraged to conduct in-person checks on the infant every 15 minutes, during the
11.23 first four months of care.

11.24 (c) When an infant has an upper respiratory infection, the license holder is encouraged
11.25 to conduct in-person checks on the infant every 15 minutes throughout the hours of sleep.

11.26 Subd. 2. **Use of audio or visual monitoring devices.** In addition to conducting
11.27 the in-person checks required under subdivision 1, license holders serving infants must
11.28 use and maintain an audio or visual monitoring device to monitor each infant in care
11.29 during all hours of sleep.

11.30 Sec. 17. **[245A.152] CHILD CARE LICENSE HOLDER INSURANCE.**

11.31 Subdivision 1. **Insurance coverage required for child care licensure.** (a) All
11.32 licensed family child care providers and child care centers shall maintain insurance
11.33 coverage for personal injury, death, or property damage resulting from any act or omission

12.1 related to the provision of services under the license. The coverage limits shall be at least
 12.2 \$100,000 per person and \$250,000 per occurrence.

12.3 (b) No license to provide child care shall take effect before the insurance coverage
 12.4 required under this section becomes effective. A license shall be suspended or revoked
 12.5 any time the insurance coverage required under this section lapses or is terminated and
 12.6 replacement coverage has not taken effect.

12.7 (c) A license holder shall immediately notify the commissioner if the insurance
 12.8 coverage required under this section lapses or is terminated and no replacement coverage
 12.9 has taken effect.

12.10 Subd. 2. **Evidence of insurance.** (a) A current certificate of coverage for insurance
 12.11 required under this section shall be posted in a place in the licensed family child care
 12.12 home or center that is conspicuous to all visitors and parents of children receiving services
 12.13 from the program.

12.14 (b) A license holder shall, upon request, provide a copy of the current certificate of
 12.15 coverage for insurance required under this section to the commissioner or to any parent
 12.16 of a child receiving services from the licensed program.

12.17 Sec. 18. Minnesota Statutes 2012, section 245A.40, subdivision 5, is amended to read:

12.18 Subd. 5. **Sudden unexpected infant death syndrome and ~~shaken baby syndrome~~**
 12.19 **abusive head trauma training.** (a) License holders must document that before staff
 12.20 persons and volunteers care for infants, they are instructed on the standards in section
 12.21 245A.1435 and receive training on reducing the risk of sudden unexpected infant death
 12.22 ~~syndrome~~. In addition, license holders must document that before staff persons care for
 12.23 infants or children under school age, they receive training on the risk of ~~shaken baby~~
 12.24 ~~syndrome~~ abusive head trauma from shaking infants and young children. The training
 12.25 in this subdivision may be provided as orientation training under subdivision 1 and
 12.26 in-service training under subdivision 7.

12.27 (b) Sudden unexpected infant death ~~syndrome~~ reduction training required under
 12.28 this subdivision must be at least one-half hour in length and must be completed at least
 12.29 once every ~~five years~~ year. At a minimum, the training must address the risk factors
 12.30 related to sudden unexpected infant death ~~syndrome~~, means of reducing the risk of sudden
 12.31 unexpected infant death ~~syndrome~~ in child care, and license holder communication with
 12.32 parents regarding reducing the risk of sudden unexpected infant death ~~syndrome~~.

12.33 (c) ~~Shaken baby syndrome~~ Abusive head trauma training under this subdivision
 12.34 must be at least one-half hour in length and must be completed at least once every ~~five~~
 12.35 years year. At a minimum, the training must address the risk factors related to ~~shaken~~

13.1 ~~baby syndrome for shaking~~ infants and young children, means to reduce the risk of ~~shaken~~
 13.2 ~~baby syndrome~~ abusive head trauma in child care, and license holder communication with
 13.3 parents regarding reducing the risk of ~~shaken baby syndrome~~ abusive head trauma.

13.4 (d) The commissioner shall make available for viewing a video presentation on the
 13.5 dangers associated with shaking infants and young children. The video presentation must
 13.6 be part of the orientation and annual in-service training of licensed child care center
 13.7 staff persons caring for children under school age. The commissioner shall provide to
 13.8 child care providers and interested individuals, at cost, copies of a video approved by the
 13.9 commissioner of health under section 144.574 on the dangers associated with shaking
 13.10 infants and young children.

13.11 Sec. 19. Minnesota Statutes 2012, section 245A.50, is amended to read:

13.12 **245A.50 FAMILY CHILD CARE TRAINING REQUIREMENTS.**

13.13 Subdivision 1. **Initial training.** (a) License holders, caregivers, and substitutes must
 13.14 comply with the training requirements in this section.

13.15 (b) Helpers who assist with care on a regular basis must complete six hours of
 13.16 training within one year after the date of initial employment.

13.17 Subd. 2. **Child growth and development and behavior guidance training.** (a) For
 13.18 purposes of family and group family child care, the license holder and each adult caregiver
 13.19 who provides care in the licensed setting for more than 30 days in any 12-month period
 13.20 shall complete and document at least ~~two~~ four hours of child growth and development
 13.21 and behavior guidance training within the first year of prior to initial licensure, and before
 13.22 caring for children. For purposes of this subdivision, "child growth and development
 13.23 training" means training in understanding how children acquire language and develop
 13.24 physically, cognitively, emotionally, and socially. "Behavior guidance training" means
 13.25 training in the understanding of the functions of child behavior and strategies for managing
 13.26 challenging situations. Child growth and development and behavior guidance training
 13.27 must be repeated annually. Training curriculum shall be developed by the commissioner
 13.28 of human services by January 1, 2014.

13.29 (b) Notwithstanding paragraph (a), individuals are exempt from this requirement if
 13.30 they:

13.31 (1) have taken a three-credit course on early childhood development within the
 13.32 past five years;

13.33 (2) have received a baccalaureate or master's degree in early childhood education or
 13.34 school-age child care within the past five years;

14.1 (3) are licensed in Minnesota as a prekindergarten teacher, an early childhood
 14.2 educator, a kindergarten to grade 6 teacher with a prekindergarten specialty, an early
 14.3 childhood special education teacher, or an elementary teacher with a kindergarten
 14.4 endorsement; or

14.5 (4) have received a baccalaureate degree with a Montessori certificate within the
 14.6 past five years.

14.7 Subd. 3. **First aid.** (a) When children are present in a family child care home
 14.8 governed by Minnesota Rules, parts 9502.0315 to 9502.0445, at least one staff person
 14.9 must be present in the home who has been trained in first aid. The first aid training must
 14.10 have been provided by an individual approved to provide first aid instruction. First aid
 14.11 training may be less than eight hours and persons qualified to provide first aid training
 14.12 include individuals approved as first aid instructors. First aid training must be repeated
 14.13 every two years.

14.14 (b) A family child care provider is exempt from the first aid training requirements
 14.15 under this subdivision related to any substitute caregiver who provides less than 30 hours
 14.16 of care during any 12-month period.

14.17 (c) Video training reviewed and approved by the county licensing agency satisfies
 14.18 the training requirement of this subdivision.

14.19 Subd. 4. **Cardiopulmonary resuscitation.** (a) When children are present in a family
 14.20 child care home governed by Minnesota Rules, parts 9502.0315 to 9502.0445, at least
 14.21 one staff person must be present in the home who has been trained in cardiopulmonary
 14.22 resuscitation (CPR) and in the treatment of obstructed airways that includes CPR
 14.23 techniques for infants and children. The CPR training must have been provided by an
 14.24 individual approved to provide CPR instruction, must be repeated at least once every ~~three~~
 14.25 two years, and must be documented in the staff person's records.

14.26 (b) A family child care provider is exempt from the CPR training requirement in
 14.27 this subdivision related to any substitute caregiver who provides less than 30 hours of
 14.28 care during any 12-month period.

14.29 ~~(c) Video training reviewed and approved by the county licensing agency satisfies~~
 14.30 ~~the training requirement of this subdivision.~~ Persons providing CPR training must use
 14.31 CPR training that has been developed:

14.32 (1) by the American Heart Association or the American Red Cross and incorporates
 14.33 psychomotor skills to support the instruction; or

14.34 (2) using nationally recognized, evidence-based guidelines for CPR training and
 14.35 incorporates psychomotor skills to support the instruction.

15.1 Subd. 5. **Sudden unexpected infant death syndrome and ~~shaken baby syndrome~~**
15.2 **abusive head trauma training**. (a) License holders must document that before staff
15.3 persons, caregivers, and helpers assist in the care of infants, they are instructed on the
15.4 standards in section 245A.1435 and receive training on reducing the risk of sudden
15.5 unexpected infant death syndrome. In addition, license holders must document that before
15.6 staff persons, caregivers, and helpers assist in the care of infants and children under
15.7 school age, they receive training on reducing the risk of ~~shaken baby syndrome~~ abusive
15.8 head trauma from shaking infants and young children. The training in this subdivision
15.9 may be provided as initial training under subdivision 1 or ongoing annual training under
15.10 subdivision 7.

15.11 (b) Sudden unexpected infant death syndrome reduction training required under
15.12 this subdivision must be at least one-half hour in length and must be completed at least
15.13 once every ~~five years~~ year. At a minimum, the training must address the risk factors
15.14 related to sudden unexpected infant death syndrome, means of reducing the risk of sudden
15.15 unexpected infant death syndrome in child care, and license holder communication with
15.16 parents regarding reducing the risk of sudden unexpected infant death syndrome.

15.17 (c) ~~Shaken baby syndrome~~ Abusive head trauma training required under this
15.18 subdivision must be at least one-half hour in length and must be completed at least once
15.19 every ~~five years~~ year. At a minimum, the training must address the risk factors related
15.20 to ~~shaken baby syndrome~~ shaking infants and young children, means of reducing the
15.21 risk of ~~shaken baby syndrome~~ abusive head trauma in child care, and license holder
15.22 communication with parents regarding reducing the risk of ~~shaken baby syndrome~~ abusive
15.23 head trauma.

15.24 (d) Training for family and group family child care providers must be approved
15.25 by the county licensing agency.

15.26 (e) ~~The commissioner shall make available for viewing by all licensed child care~~
15.27 ~~providers a video presentation on the dangers associated with shaking infants and young~~
15.28 ~~children. The video presentation shall be part of the initial and ongoing annual training of~~
15.29 ~~licensed child care providers, caregivers, and helpers caring for children under school age.~~
15.30 ~~The commissioner shall provide to child care providers and interested individuals, at cost,~~
15.31 ~~copies of a video approved by the commissioner of health under section 144.574 on the~~
15.32 ~~dangers associated with shaking infants and young children.~~

15.33 Subd. 6. **Child passenger restraint systems; training requirement.** (a) A license
15.34 holder must comply with all seat belt and child passenger restraint system requirements
15.35 under section 169.685.

16.1 (b) Family and group family child care programs licensed by the Department of
 16.2 Human Services that serve a child or children under nine years of age must document
 16.3 training that fulfills the requirements in this subdivision.

16.4 (1) Before a license holder, staff person, caregiver, or helper transports a child or
 16.5 children under age nine in a motor vehicle, the person placing the child or children in a
 16.6 passenger restraint must satisfactorily complete training on the proper use and installation
 16.7 of child restraint systems in motor vehicles. Training completed under this subdivision may
 16.8 be used to meet initial training under subdivision 1 or ongoing training under subdivision 7.

16.9 (2) Training required under this subdivision must be at least one hour in length,
 16.10 completed at initial training, and repeated at least once every five years. At a minimum,
 16.11 the training must address the proper use of child restraint systems based on the child's
 16.12 size, weight, and age, and the proper installation of a car seat or booster seat in the motor
 16.13 vehicle used by the license holder to transport the child or children.

16.14 (3) Training under this subdivision must be provided by individuals who are certified
 16.15 and approved by the Department of Public Safety, Office of Traffic Safety. License holders
 16.16 may obtain a list of certified and approved trainers through the Department of Public
 16.17 Safety Web site or by contacting the agency.

16.18 (c) Child care providers that only transport school-age children as defined in section
 16.19 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,
 16.20 subdivision 1, paragraph (e), are exempt from this subdivision.

16.21 **Subd. 7. Training requirements for family and group family child care.** For
 16.22 purposes of family and group family child care, the license holder and each primary
 16.23 caregiver must complete ~~eight~~ 16 hours of ongoing training each year. For purposes
 16.24 of this subdivision, a primary caregiver is an adult caregiver who provides services in
 16.25 the licensed setting for more than 30 days in any 12-month period. Repeat of topical
 16.26 training requirements in subdivisions 2 to 7 shall count toward the annual 16-hour training
 16.27 requirement. Additional ongoing training subjects to meet the annual 16-hour training
 16.28 requirement must be selected from the following areas:

16.29 (1) "child growth and development training" ~~has the meaning given in~~ under
 16.30 subdivision 2, paragraph (a);

16.31 (2) "learning environment and curriculum" ~~includes,~~ including training in
 16.32 establishing an environment and providing activities that provide learning experiences to
 16.33 meet each child's needs, capabilities, and interests;

16.34 (3) "assessment and planning for individual needs" ~~includes,~~ including training in
 16.35 observing and assessing what children know and can do in order to provide curriculum
 16.36 and instruction that addresses their developmental and learning needs, including children

17.1 with special needs and bilingual children or children for whom English is not their
17.2 primary language;

17.3 (4) "interactions with children"~~includes~~, including training in establishing
17.4 supportive relationships with children, guiding them as individuals and as part of a group;

17.5 (5) "families and communities"~~includes~~, including training in working
17.6 collaboratively with families and agencies or organizations to meet children's needs and to
17.7 encourage the community's involvement;

17.8 (6) "health, safety, and nutrition"~~includes~~, including training in establishing and
17.9 maintaining an environment that ensures children's health, safety, and nourishment,
17.10 including child abuse, maltreatment, prevention, and reporting; home and fire safety; child
17.11 injury prevention; communicable disease prevention and control; first aid; and CPR; and

17.12 (7) "program planning and evaluation"~~includes~~, including training in establishing,
17.13 implementing, evaluating, and enhancing program operations.

17.14 Subd. 8. **Other required training requirements.** (a) The training required of
17.15 family and group family child care providers and staff must include training in the cultural
17.16 dynamics of early childhood development and child care. The cultural dynamics and
17.17 disabilities training and skills development of child care providers must be designed to
17.18 achieve outcomes for providers of child care that include, but are not limited to:

17.19 (1) an understanding and support of the importance of culture and differences in
17.20 ability in children's identity development;

17.21 (2) understanding the importance of awareness of cultural differences and
17.22 similarities in working with children and their families;

17.23 (3) understanding and support of the needs of families and children with differences
17.24 in ability;

17.25 (4) developing skills to help children develop unbiased attitudes about cultural
17.26 differences and differences in ability;

17.27 (5) developing skills in culturally appropriate caregiving; and

17.28 (6) developing skills in appropriate caregiving for children of different abilities.

17.29 The commissioner shall approve the curriculum for cultural dynamics and disability
17.30 training.

17.31 (b) The provider must meet the training requirement in section 245A.14, subdivision
17.32 11, paragraph (a), clause (4), to be eligible to allow a child cared for at the family child
17.33 care or group family child care home to use the swimming pool located at the home.

17.34 Subd. 9. **Supervising for safety; training requirement.** Effective July 1, 2014,
17.35 all family child care license holders and each adult caregiver who provides care in the
17.36 licensed family child care home for more than 30 days in any 12-month period shall

18.1 complete and document at least six hours approved training on supervising for safety
 18.2 prior to initial licensure, and before caring for children. At least two hours of training
 18.3 on supervising for safety must be repeated annually. For purposes of this subdivision,
 18.4 "supervising for safety" includes supervision basics, supervision outdoors, equipment and
 18.5 materials, illness, injuries, and disaster preparedness. The commissioner shall develop
 18.6 the supervising for safety curriculum by January 1, 2014.

18.7 Subd. 10. **Approved training.** County licensing staff must accept training approved
 18.8 by the Minnesota Center for Professional Development, including:

18.9 (1) face-to-face or classroom training;

18.10 (2) online training; and

18.11 (3) relationship-based professional development, such as mentoring, coaching,
 18.12 and consulting.

18.13 Subd. 11. **Commissioner duties.** (a) The commissioner of human services must
 18.14 train county licensing staff on the interpretation and intention of new requirements under
 18.15 this section prior to implementation.

18.16 (b) New and increased training requirements under this section must not be imposed
 18.17 on providers until the commissioner establishes statewide accessibility to the required
 18.18 training.

18.19 Sec. 20. Minnesota Statutes 2012, section 245C.08, subdivision 1, is amended to read:

18.20 Subdivision 1. **Background studies conducted by Department of Human**
 18.21 **Services.** (a) For a background study conducted by the Department of Human Services,
 18.22 the commissioner shall review:

18.23 (1) information related to names of substantiated perpetrators of maltreatment of
 18.24 vulnerable adults that has been received by the commissioner as required under section
 18.25 626.557, subdivision 9c, paragraph (j);

18.26 (2) the commissioner's records relating to the maltreatment of minors in licensed
 18.27 programs, and from findings of maltreatment of minors as indicated through the social
 18.28 service information system;

18.29 (3) information from juvenile courts as required in subdivision 4 for individuals
 18.30 listed in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

18.31 (4) information from the Bureau of Criminal Apprehension;

18.32 (5) except as provided in clause (6), information from the national crime information
 18.33 system when the commissioner has reasonable cause as defined under section 245C.05,
 18.34 subdivision 5; and

19.1 (6) for a background study related to a child foster care application for licensure, a
19.2 transfer of permanent legal and physical custody under section 260C.515, or adoptions,
19.3 the commissioner shall also review:

19.4 (i) information from the child abuse and neglect registry for any state in which the
19.5 background study subject has resided for the past five years; and

19.6 (ii) information from national crime information databases, when the background
19.7 study subject is 18 years of age or older.

19.8 (b) Notwithstanding expungement by a court, the commissioner may consider
19.9 information obtained under paragraph (a), clauses (3) and (4), unless the commissioner
19.10 received notice of the petition for expungement and the court order for expungement is
19.11 directed specifically to the commissioner.

19.12 Sec. 21. Minnesota Statutes 2012, section 245C.33, subdivision 1, is amended to read:

19.13 Subdivision 1. **Background studies conducted by commissioner.** (a) Before
19.14 placement of a child for purposes of adoption, the commissioner shall conduct a
19.15 background study on individuals listed in section 259.41, subdivision 3, for county
19.16 agencies and private agencies licensed to place children for adoption.

19.17 (b) Before placement of a child for the purposes of a transfer of permanent legal and
19.18 physical custody to a relative under section 260C.515, the commissioner shall conduct a
19.19 background study on each person over the age of 13 living in the home. New background
19.20 studies do not need to be completed if the proposed relative custodian has a valid foster
19.21 care license, and background studies according to section 245C.08, subdivision 1, were
19.22 completed as part of the licensure process.

19.23 Sec. 22. Minnesota Statutes 2012, section 256.0112, is amended by adding a
19.24 subdivision to read:

19.25 Subd. 10. **Contracts for child foster care services.** When local agencies negotiate
19.26 lead county contracts or purchase of service contracts for child foster care services, the
19.27 foster care maintenance payment made on behalf of the child shall follow the provisions of
19.28 Northstar Care for Children, chapter 256N. Foster care maintenance payments as defined
19.29 in section 256N.02, subdivision 15, represents costs for activities similar in nature to those
19.30 expected of parents and do not cover services rendered by the licensed or tribally approved
19.31 foster parent, facility, or administrative costs or fees. Payments made to foster parents
19.32 must follow the requirements of section 256N.26, subdivision 15. The legally responsible
19.33 agency must provide foster parents with the assessment and notice as specified in section
19.34 256N.24. The financially responsible agency is permitted to make additional payments for

20.1 specific services provided by the foster parents or facility, as permitted in section 256N.21,
20.2 subdivision 5. These additional payments are not considered foster care maintenance.

20.3 Sec. 23. Minnesota Statutes 2012, section 256.82, subdivision 2, is amended to read:

20.4 Subd. 2. **Foster care maintenance payments.** ~~Beginning January 1, 1986,~~ For the
20.5 purpose of foster care maintenance payments under title IV-E of the Social Security Act,
20.6 United States Code, title 42, sections 670 to 676, the county paying the maintenance
20.7 costs must be reimbursed for the costs from the federal money available for the purpose.
20.8 Beginning July 1, 1997, for the purposes of determining a child's eligibility under title
20.9 IV-E of the Social Security Act, the placing agency shall use AFDC requirements in
20.10 effect on July 16, 1996.

20.11 Sec. 24. Minnesota Statutes 2012, section 256.82, subdivision 3, is amended to read:

20.12 Subd. 3. **Setting foster care standard rates.** (a) The commissioner shall annually
20.13 establish minimum ~~standard maintenance~~ rates for foster care maintenance and including
20.14 supplemental difficulty of care payments for all children ~~in foster care~~ eligible for
20.15 Northstar Care for Children under chapter 256N.

20.16 (b) All children entering foster care on or after January 1, 2015, are eligible for
20.17 Northstar Care for Children under chapter 256N. Any increase in rates shall in no case
20.18 exceed three percent per annum.

20.19 (c) All children in foster care on December 31, 2014, must remain in the
20.20 pre-Northstar Care for Children foster care program under sections 256N.21, subdivision
20.21 6, and 260C.4411, subdivision 1. The rates for the pre-Northstar Care for Children foster
20.22 care program shall remain those in effect on January 1, 2013.

20.23 Sec. 25. Minnesota Statutes 2012, section 256.98, subdivision 8, is amended to read:

20.24 Subd. 8. **Disqualification from program.** (a) Any person found to be guilty of
20.25 wrongfully obtaining assistance by a federal or state court or by an administrative hearing
20.26 determination, or waiver thereof, through a disqualification consent agreement, or as part
20.27 of any approved diversion plan under section 401.065, or any court-ordered stay which
20.28 carries with it any probationary or other conditions, in the Minnesota family investment
20.29 program and any affiliated program to include the diversionary work program and the
20.30 work participation cash benefit program, the food stamp or food support program, the
20.31 general assistance program, the group residential housing program, or the Minnesota
20.32 supplemental aid program shall be disqualified from that program. In addition, any person
20.33 disqualified from the Minnesota family investment program shall also be disqualified from

21.1 the food stamp or food support program. The needs of that individual shall not be taken
21.2 into consideration in determining the grant level for that assistance unit:

- 21.3 (1) for one year after the first offense;
- 21.4 (2) for two years after the second offense; and
- 21.5 (3) permanently after the third or subsequent offense.

21.6 The period of program disqualification shall begin on the date stipulated on the
21.7 advance notice of disqualification without possibility of postponement for administrative
21.8 stay or administrative hearing and shall continue through completion unless and until the
21.9 findings upon which the sanctions were imposed are reversed by a court of competent
21.10 jurisdiction. The period for which sanctions are imposed is not subject to review. The
21.11 sanctions provided under this subdivision are in addition to, and not in substitution
21.12 for, any other sanctions that may be provided for by law for the offense involved. A
21.13 disqualification established through hearing or waiver shall result in the disqualification
21.14 period beginning immediately unless the person has become otherwise ineligible for
21.15 assistance. If the person is ineligible for assistance, the disqualification period begins
21.16 when the person again meets the eligibility criteria of the program from which they were
21.17 disqualified and makes application for that program.

21.18 (b) A family receiving assistance through child care assistance programs under
21.19 chapter 119B with a family member who is found to be guilty of wrongfully obtaining child
21.20 care assistance by a federal court, state court, or an administrative hearing determination
21.21 or waiver, through a disqualification consent agreement, as part of an approved diversion
21.22 plan under section 401.065, or a court-ordered stay with probationary or other conditions,
21.23 is disqualified from child care assistance programs. The disqualifications must be for
21.24 periods of ~~three months, six months, and one year~~ and two years for the first, and
21.25 second, ~~and third~~ offenses, respectively. Subsequent violations must result in permanent
21.26 disqualification. During the disqualification period, disqualification from any child care
21.27 program must extend to all child care programs and must be immediately applied.

21.28 (c) A provider caring for children receiving assistance through child care assistance
21.29 programs under chapter 119B is disqualified from receiving payment for child care
21.30 services from the child care assistance program under chapter 119B when the provider is
21.31 found to have wrongfully obtained child care assistance by a federal court, state court,
21.32 or an administrative hearing determination or waiver under section 256.046, through
21.33 a disqualification consent agreement, as part of an approved diversion plan under
21.34 section 401.065, or a court-ordered stay with probationary or other conditions. The
21.35 disqualification must be for a period of one year for the first offense and two years for
21.36 the second offense. Any subsequent violation must result in permanent disqualification.

22.1 The disqualification period must be imposed immediately after a determination is made
 22.2 under this paragraph. During the disqualification period, the provider is disqualified from
 22.3 receiving payment from any child care program under chapter 119B.

22.4 (d) Any person found to be guilty of wrongfully obtaining general assistance
 22.5 medical care, MinnesotaCare for adults without children, and upon federal approval, all
 22.6 categories of medical assistance and remaining categories of MinnesotaCare, except
 22.7 for children through age 18, by a federal or state court or by an administrative hearing
 22.8 determination, or waiver thereof, through a disqualification consent agreement, or as part
 22.9 of any approved diversion plan under section 401.065, or any court-ordered stay which
 22.10 carries with it any probationary or other conditions, is disqualified from that program. The
 22.11 period of disqualification is one year after the first offense, two years after the second
 22.12 offense, and permanently after the third or subsequent offense. The period of program
 22.13 disqualification shall begin on the date stipulated on the advance notice of disqualification
 22.14 without possibility of postponement for administrative stay or administrative hearing
 22.15 and shall continue through completion unless and until the findings upon which the
 22.16 sanctions were imposed are reversed by a court of competent jurisdiction. The period for
 22.17 which sanctions are imposed is not subject to review. The sanctions provided under this
 22.18 subdivision are in addition to, and not in substitution for, any other sanctions that may be
 22.19 provided for by law for the offense involved.

22.20 **EFFECTIVE DATE.** This section is effective February 3, 2014.

22.21 Sec. 26. Minnesota Statutes 2012, section 256J.08, subdivision 24, is amended to read:

22.22 Subd. 24. **Disregard.** "Disregard" means earned income that is not counted ~~when~~
 22.23 ~~determining initial eligibility in the initial income test in section 256J.21, subdivision 3,~~
 22.24 or income that is not counted when determining ongoing eligibility and calculating the
 22.25 amount of the assistance payment for participants. The commissioner shall determine
 22.26 the amount of the disregard according to section 256J.24, subdivision 10 for ongoing
 22.27 eligibility shall be 50 percent of gross earned income.

22.28 **EFFECTIVE DATE.** This section is effective October 1, 2013, or upon approval
 22.29 from the United States Department of Agriculture, whichever is later.

22.30 Sec. 27. Minnesota Statutes 2012, section 256J.21, subdivision 2, is amended to read:

22.31 Subd. 2. **Income exclusions.** The following must be excluded in determining a
 22.32 family's available income:

23.1 (1) payments for basic care, difficulty of care, and clothing allowances received for
23.2 providing family foster care to children or adults under Minnesota Rules, parts 9555.5050
23.3 to 9555.6265, 9560.0521, and 9560.0650 to 9560.0655, payments for family foster care to
23.4 children under chapter 256N, and payments received and used for care and maintenance of
23.5 a third-party beneficiary who is not a household member;

23.6 (2) reimbursements for employment training received through the Workforce
23.7 Investment Act of 1998, United States Code, title 20, chapter 73, section 9201;

23.8 (3) reimbursement for out-of-pocket expenses incurred while performing volunteer
23.9 services, jury duty, employment, or informal carpooling arrangements directly related to
23.10 employment;

23.11 (4) all educational assistance, except the county agency must count graduate student
23.12 teaching assistantships, fellowships, and other similar paid work as earned income and,
23.13 after allowing deductions for any unmet and necessary educational expenses, shall
23.14 count scholarships or grants awarded to graduate students that do not require teaching
23.15 or research as unearned income;

23.16 (5) loans, regardless of purpose, from public or private lending institutions,
23.17 governmental lending institutions, or governmental agencies;

23.18 (6) loans from private individuals, regardless of purpose, provided an applicant or
23.19 participant documents that the lender expects repayment;

23.20 (7)(i) state income tax refunds; and

23.21 (ii) federal income tax refunds;

23.22 (8)(i) federal earned income credits;

23.23 (ii) Minnesota working family credits;

23.24 (iii) state homeowners and renters credits under chapter 290A; and

23.25 (iv) federal or state tax rebates;

23.26 (9) funds received for reimbursement, replacement, or rebate of personal or real
23.27 property when these payments are made by public agencies, awarded by a court, solicited
23.28 through public appeal, or made as a grant by a federal agency, state or local government,
23.29 or disaster assistance organizations, subsequent to a presidential declaration of disaster;

23.30 (10) the portion of an insurance settlement that is used to pay medical, funeral, and
23.31 burial expenses, or to repair or replace insured property;

23.32 (11) reimbursements for medical expenses that cannot be paid by medical assistance;

23.33 (12) payments by a vocational rehabilitation program administered by the state
23.34 under chapter 268A, except those payments that are for current living expenses;

23.35 (13) in-kind income, including any payments directly made by a third party to a
23.36 provider of goods and services;

- 24.1 (14) assistance payments to correct underpayments, but only for the month in which
24.2 the payment is received;
- 24.3 (15) payments for short-term emergency needs under section 256J.626, subdivision 2;
- 24.4 (16) funeral and cemetery payments as provided by section 256.935;
- 24.5 (17) nonrecurring cash gifts of \$30 or less, not exceeding \$30 per participant in
24.6 a calendar month;
- 24.7 (18) any form of energy assistance payment made through Public Law 97-35,
24.8 Low-Income Home Energy Assistance Act of 1981, payments made directly to energy
24.9 providers by other public and private agencies, and any form of credit or rebate payment
24.10 issued by energy providers;
- 24.11 (19) Supplemental Security Income (SSI), including retroactive SSI payments and
24.12 other income of an SSI recipient, except as described in section 256J.37, subdivision 3b;
- 24.13 (20) Minnesota supplemental aid, including retroactive payments;
- 24.14 (21) proceeds from the sale of real or personal property;
- 24.15 (22) ~~state adoption assistance payments under section 259.67, and up to an equal~~
24.16 ~~amount of county adoption assistance payments~~ adoption assistance payments under
24.17 chapter 259A and Minnesota Permanency Demonstration, Title IV-E waiver payments
24.18 under section 256.01, subdivision 14a;
- 24.19 (23) state-funded family subsidy program payments made under section 252.32 to
24.20 help families care for children with developmental disabilities, consumer support grant
24.21 funds under section 256.476, and resources and services for a disabled household member
24.22 under one of the home and community-based waiver services programs under chapter 256B;
- 24.23 (24) interest payments and dividends from property that is not excluded from and
24.24 that does not exceed the asset limit;
- 24.25 (25) rent rebates;
- 24.26 (26) income earned by a minor caregiver, minor child through age 6, or a minor
24.27 child who is at least a half-time student in an approved elementary or secondary education
24.28 program;
- 24.29 (27) income earned by a caregiver under age 20 who is at least a half-time student in
24.30 an approved elementary or secondary education program;
- 24.31 (28) MFIP child care payments under section 119B.05;
- 24.32 (29) all other payments made through MFIP to support a caregiver's pursuit of
24.33 greater economic stability;
- 24.34 (30) income a participant receives related to shared living expenses;
- 24.35 (31) reverse mortgages;

25.1 (32) benefits provided by the Child Nutrition Act of 1966, United States Code, title
25.2 42, chapter 13A, sections 1771 to 1790;

25.3 (33) benefits provided by the women, infants, and children (WIC) nutrition program,
25.4 United States Code, title 42, chapter 13A, section 1786;

25.5 (34) benefits from the National School Lunch Act, United States Code, title 42,
25.6 chapter 13, sections 1751 to 1769e;

25.7 (35) relocation assistance for displaced persons under the Uniform Relocation
25.8 Assistance and Real Property Acquisition Policies Act of 1970, United States Code, title
25.9 42, chapter 61, subchapter II, section 4636, or the National Housing Act, United States
25.10 Code, title 12, chapter 13, sections 1701 to 1750jj;

25.11 (36) benefits from the Trade Act of 1974, United States Code, title 19, chapter
25.12 12, part 2, sections 2271 to 2322;

25.13 (37) war reparations payments to Japanese Americans and Aleuts under United
25.14 States Code, title 50, sections 1989 to 1989d;

25.15 (38) payments to veterans or their dependents as a result of legal settlements
25.16 regarding Agent Orange or other chemical exposure under Public Law 101-239, section
25.17 10405, paragraph (a)(2)(E);

25.18 (39) income that is otherwise specifically excluded from MFIP consideration in
25.19 federal law, state law, or federal regulation;

25.20 (40) security and utility deposit refunds;

25.21 (41) American Indian tribal land settlements excluded under Public Laws 98-123,
25.22 98-124, and 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech
25.23 Lake, and Mille Lacs reservations and payments to members of the White Earth Band,
25.24 under United States Code, title 25, chapter 9, section 331, and chapter 16, section 1407;

25.25 (42) all income of the minor parent's parents and stepparents when determining the
25.26 grant for the minor parent in households that include a minor parent living with parents or
25.27 stepparents on MFIP with other children;

25.28 (43) income of the minor parent's parents and stepparents equal to 200 percent of the
25.29 federal poverty guideline for a family size not including the minor parent and the minor
25.30 parent's child in households that include a minor parent living with parents or stepparents
25.31 not on MFIP when determining the grant for the minor parent. The remainder of income is
25.32 deemed as specified in section 256J.37, subdivision 1b;

25.33 (44) payments made to children eligible for relative custody assistance under section
25.34 257.85 and guardianship assistance under section 256N.20;

25.35 (45) vendor payments for goods and services made on behalf of a client unless the
25.36 client has the option of receiving the payment in cash;

- 26.1 (46) the principal portion of a contract for deed payment; and
 26.2 (47) cash payments to individuals enrolled for full-time service as a volunteer under
 26.3 AmeriCorps programs including AmeriCorps VISTA, AmeriCorps State, AmeriCorps
 26.4 National, and AmeriCorps NCCC.

26.5 **EFFECTIVE DATE.** This section is effective January 1, 2015.

26.6 Sec. 28. Minnesota Statutes 2012, section 256J.21, subdivision 3, is amended to read:

26.7 Subd. 3. **Initial income test.** The county agency shall determine initial eligibility
 26.8 by considering all earned and unearned income that is not excluded under subdivision 2.
 26.9 To be eligible for MFIP, the assistance unit's countable income minus the disregards in
 26.10 paragraphs (a) and (b) must be below the ~~transitional standard of assistance~~ family wage
 26.11 level according to section 256J.24 for that size assistance unit.

26.12 (a) The initial eligibility determination must disregard the following items:

26.13 (1) the employment disregard is 18 percent of the gross earned income whether or
 26.14 not the member is working full time or part time;

26.15 (2) dependent care costs must be deducted from gross earned income for the actual
 26.16 amount paid for dependent care up to a maximum of \$200 per month for each child less
 26.17 than two years of age, and \$175 per month for each child two years of age and older under
 26.18 this chapter and chapter 119B;

26.19 (3) all payments made according to a court order for spousal support or the support
 26.20 of children not living in the assistance unit's household shall be disregarded from the
 26.21 income of the person with the legal obligation to pay support, provided that, if there has
 26.22 been a change in the financial circumstances of the person with the legal obligation to pay
 26.23 support since the support order was entered, the person with the legal obligation to pay
 26.24 support has petitioned for a modification of the support order; and

26.25 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child
 26.26 under the age of 21 for whom the caregiver is financially responsible and who lives with
 26.27 the caregiver according to section 256J.36.

26.28 (b) Notwithstanding paragraph (a), when determining initial eligibility for applicant
 26.29 units when at least one member has received MFIP in this state within four months of
 26.30 the most recent application for MFIP, apply the disregard as defined in section 256J.08,
 26.31 subdivision 24, for all unit members.

26.32 After initial eligibility is established, the assistance payment calculation is based on
 26.33 the monthly income test.

27.1 **EFFECTIVE DATE.** This section is effective October 1, 2013, or upon approval
 27.2 from the United States Department of Agriculture, whichever is later.

27.3 Sec. 29. Minnesota Statutes 2012, section 256J.24, subdivision 3, is amended to read:

27.4 Subd. 3. **Individuals who must be excluded from an assistance unit.** (a) The
 27.5 following individuals who are part of the assistance unit determined under subdivision 2
 27.6 are ineligible to receive MFIP:

27.7 (1) individuals who are recipients of Supplemental Security Income or Minnesota
 27.8 supplemental aid;

27.9 (2) individuals disqualified from the food stamp or food support program or MFIP,
 27.10 until the disqualification ends;

27.11 (3) children on whose behalf federal, state or local foster care payments are made,
 27.12 except as provided in sections 256J.13, subdivision 2, and 256J.74, subdivision 2;

27.13 (4) children receiving ongoing guardianship assistance payments under chapter 256N;

27.14 ~~(4) (5)~~ children receiving ongoing monthly adoption assistance payments under
 27.15 ~~section 259.67~~ chapter 259A or 256N; and

27.16 ~~(5) (6)~~ individuals disqualified from the work participation cash benefit program
 27.17 until that disqualification ends.

27.18 (b) The exclusion of a person under this subdivision does not alter the mandatory
 27.19 assistance unit composition.

27.20 **EFFECTIVE DATE.** This section is effective January 1, 2015.

27.21 Sec. 30. Minnesota Statutes 2012, section 256J.24, subdivision 7, is amended to read:

27.22 Subd. 7. **Family wage level.** The family wage level is 110 percent of the transitional
 27.23 standard under subdivision 5 or 6, ~~when applicable, and is the standard used when there is~~
 27.24 ~~earned income in the assistance unit. As specified in section 256J.21.~~ If there is earned
 27.25 income in the assistance unit, earned income is subtracted from the family wage level to
 27.26 determine the amount of the assistance payment, as specified in section 256J.21. The
 27.27 assistance payment may not exceed the transitional standard under subdivision 5 or 6,
 27.28 or the shared household standard under subdivision 9, whichever is applicable, for the
 27.29 assistance unit.

27.30 **EFFECTIVE DATE.** This section is effective October 1, 2013, or upon approval
 27.31 from the United States Department of Agriculture, whichever is later.

28.1 Sec. 31. Minnesota Statutes 2012, section 256J.621, is amended to read:

28.2 **256J.621 WORK PARTICIPATION CASH BENEFITS.**

28.3 Subdivision 1. Program characteristics. (a) Effective October 1, 2009, upon
28.4 exiting the diversionary work program (DWP) or upon terminating the Minnesota family
28.5 investment program with earnings, a participant who is employed may be eligible for work
28.6 participation cash benefits of \$25 per month to assist in meeting the family's basic needs
28.7 as the participant continues to move toward self-sufficiency.

28.8 (b) To be eligible for work participation cash benefits, the participant shall not
28.9 receive MFIP or diversionary work program assistance during the month and the
28.10 participant or participants must meet the following work requirements:

28.11 (1) if the participant is a single caregiver and has a child under six years of age, the
28.12 participant must be employed at least 87 hours per month;

28.13 (2) if the participant is a single caregiver and does not have a child under six years of
28.14 age, the participant must be employed at least 130 hours per month; or

28.15 (3) if the household is a two-parent family, at least one of the parents must be
28.16 employed 130 hours per month.

28.17 Whenever a participant exits the diversionary work program or is terminated from
28.18 MFIP and meets the other criteria in this section, work participation cash benefits are
28.19 available for up to 24 consecutive months.

28.20 (c) Expenditures on the program are maintenance of effort state funds under
28.21 a separate state program for participants under paragraph (b), clauses (1) and (2).
28.22 Expenditures for participants under paragraph (b), clause (3), are nonmaintenance of effort
28.23 funds. Months in which a participant receives work participation cash benefits under this
28.24 section do not count toward the participant's MFIP 60-month time limit.

28.25 Subd. 2. Program suspension. (a) Effective December 1, 2013, the work
28.26 participation cash benefits program shall be suspended.

28.27 (b) The commissioner of human services may reinstate the work participation cash
28.28 benefits program if the United States Department of Human Services determines that the
28.29 state of Minnesota did not meet the federal TANF work participation rate, and sends a
28.30 notice of penalty to reduce Minnesota's federal TANF block grant authorized under title I
28.31 of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation
28.32 Act of 1996, and under Public Law 109-171, the Deficit Reduction Act of 2005.

28.33 (c) The commissioner shall notify the chairs of the legislative committees with
28.34 jurisdiction over human services policy and funding of the potential penalty and the
28.35 commissioner's plans to reinstate the work participation cash benefit program within 30

29.1 days of the date the commissioner receives notification that the state failed to meet the
29.2 federal work participation rate.

29.3 Sec. 32. Minnesota Statutes 2012, section 256J.626, subdivision 7, is amended to read:

29.4 Subd. 7. **Performance base funds.** ~~(a) For the purpose of this section, the following~~
29.5 ~~terms have the meanings given:~~

29.6 ~~(1) "Caseload Reduction Credit" (CRC) means the measure of how much Minnesota~~
29.7 ~~TANF and separate state program caseload has fallen relative to federal fiscal year 2005~~
29.8 ~~based on caseload data from October 1 to September 30.~~

29.9 ~~(2) "TANF participation rate target" means a 50 percent participation rate reduced by~~
29.10 ~~the CRC for the previous year.~~

29.11 ~~(b)~~ (a) For calendar year ~~2010~~ 2016 and yearly thereafter, each county and tribe will
29.12 must be allocated ~~95~~ 100 percent of their initial calendar year allocation. Allocations for
29.13 counties and tribes will ~~must~~ be allocated ~~additional funds~~ adjusted based on performance
29.14 as follows:

29.15 ~~(1) a county or tribe that achieves the TANF participation rate target or a five~~
29.16 ~~percentage point improvement over the previous year's TANF participation rate under~~
29.17 ~~section 256J.751, subdivision 2, clause (7), as averaged across 12 consecutive months for~~
29.18 ~~the most recent year for which the measurements are available, will receive an additional~~
29.19 ~~allocation equal to 2.5 percent of its initial allocation;~~

29.20 ~~(2)~~ (1) a county or tribe that performs ~~within or~~ above its range of expected
29.21 performance on the annualized three-year self-support index under section 256J.751,
29.22 subdivision 2, clause (6), will ~~must~~ receive an additional allocation equal to 2.5 percent of
29.23 its initial allocation; and

29.24 ~~(3) a county or tribe that does not achieve the TANF participation rate target or~~
29.25 ~~a five percentage point improvement over the previous year's TANF participation rate~~
29.26 ~~under section 256J.751, subdivision 2, clause (7), as averaged across 12 consecutive~~
29.27 ~~months for the most recent year for which the measurements are available, will not~~
29.28 ~~receive an additional 2.5 percent of its initial allocation until after negotiating a multiyear~~
29.29 ~~improvement plan with the commissioner; or~~

29.30 ~~(4)~~ (2) a county or tribe that ~~does not perform within or above~~ performs below its
29.31 range of expected performance on the annualized three-year self-support index under
29.32 section 256J.751, subdivision 2, clause (6), ~~will not receive an additional allocation equal~~
29.33 ~~to 2.5 percent of its initial allocation until after negotiating~~ for two consecutive years must
29.34 negotiate a multiyear improvement plan with the commissioner. If no improvement is
29.35 shown by the end of the multiyear plan, the county's or tribe's allocation must be decreased

30.1 by 2.5 percent. The decrease must remain in effect until the tribe performs within or
30.2 above its range of expected performance.

30.3 ~~(e)~~ (b) For calendar year ~~2009~~ 2016 and yearly thereafter, performance-based funds
30.4 for a federally approved tribal TANF program in which the state and tribe have in place a
30.5 contract under section 256.01, addressing consolidated funding, ~~will~~ must be allocated
30.6 as follows:

30.7 ~~(1) a tribe that achieves the participation rate approved in its federal TANF plan~~
30.8 ~~using the average of 12 consecutive months for the most recent year for which the~~
30.9 ~~measurements are available, will receive an additional allocation equal to 2.5 percent of~~
30.10 ~~its initial allocation; and~~

30.11 ~~(2)~~ (1) a tribe that performs ~~within or~~ above its range of expected performance on the
30.12 annualized three-year self-support index under section 256J.751, subdivision 2, clause (6),
30.13 ~~will~~ must receive an additional allocation equal to 2.5 percent of its initial allocation; or

30.14 ~~(3) a tribe that does not achieve the participation rate approved in its federal TANF~~
30.15 ~~plan using the average of 12 consecutive months for the most recent year for which the~~
30.16 ~~measurements are available, will not receive an additional allocation equal to 2.5 percent~~
30.17 ~~of its initial allocation until after negotiating a multiyear improvement plan with the~~
30.18 ~~commissioner; or~~

30.19 ~~(4)~~ (2) a tribe that ~~does not perform within or above~~ performs below its range of
30.20 expected performance on the annualized three-year self-support index under section
30.21 256J.751, subdivision 2, clause (6), ~~will not receive an additional allocation equal to~~
30.22 ~~2.5 percent until after negotiating~~ for two consecutive years must negotiate a multiyear
30.23 improvement plan with the commissioner. If no improvement is shown by the end of the
30.24 multiyear plan, the tribe's allocation must be decreased by 2.5 percent. The decrease must
30.25 remain in effect until the tribe performs within or above its range of expected performance.

30.26 ~~(d)~~ (c) Funds remaining unallocated after the performance-based allocations
30.27 in paragraph ~~(b)~~ (a) are available to the commissioner for innovation projects under
30.28 subdivision 5.

30.29 ~~(+)~~ (d) If available funds are insufficient to meet county and tribal allocations under
30.30 ~~paragraph~~ paragraphs (a) and (b), the commissioner ~~may make available for allocation~~
30.31 ~~funds that are unobligated and available from the innovation projects through the end of~~
30.32 ~~the current biennium~~ shall proportionally prorate funds to counties and tribes that qualify
30.33 for a bonus under paragraphs (a), clause (1), and (b), clause (2).

30.34 ~~(2) If after the application of clause (1) funds remain insufficient to meet county and~~
30.35 ~~tribal allocations under paragraph (b), the commissioner must proportionally reduce the~~

31.1 ~~allocation of each county and tribe with respect to their maximum allocation available~~
 31.2 ~~under paragraph (b).~~

31.3 Sec. 33. **[256J.78] TANF DEMONSTRATION PROJECTS OR WAIVER FROM**
 31.4 **FEDERAL RULES AND REGULATIONS.**

31.5 Subdivision 1. **Duties of the commissioner.** The commissioner of human services
 31.6 may pursue TANF demonstration projects or waivers of TANF requirements from the
 31.7 United States Department of Health and Human Services as needed to allow the state to
 31.8 build a more results-oriented Minnesota Family Investment Program to better meet the
 31.9 needs of Minnesota families.

31.10 Subd. 2. **Purpose.** The purpose of the TANF demonstration projects or waivers is to:

31.11 (1) replace the federal TANF process measure and its complex administrative
 31.12 requirements with state-developed outcomes measures that track adult employment and
 31.13 exits from MFIP cash assistance;

31.14 (2) simplify programmatic and administrative requirements; and

31.15 (3) make other policy or programmatic changes that improve the performance of the
 31.16 program and the outcomes for participants.

31.17 Subd. 3. **Report to legislature.** The commissioner shall report to the members of
 31.18 the legislative committees having jurisdiction over human services issues by March 1,
 31.19 2014, regarding the progress of this waiver or demonstration project.

31.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

31.21 Sec. 34. **[256N.001] CITATION.**

31.22 Sections 256N.001 to 256N.28 may be cited as the "Northstar Care for Children Act."

31.23 Sections 256N.001 to 256N.28 establish Northstar Care for Children, which authorizes
 31.24 certain benefits to support a child in need who is served by the Minnesota child welfare

31.25 system and who is the responsibility of the state, local county social service agencies, or

31.26 tribal social service agencies authorized under section 256.01, subdivision 14b, or are

31.27 otherwise eligible for federal adoption assistance. A child eligible under this chapter

31.28 has experienced a child welfare intervention that has resulted in the child being placed

31.29 away from the child's parents' care and is receiving foster care services consistent with

31.30 chapter 260B, 260C, or 260D, or is in the permanent care of relatives through a transfer of

31.31 permanent legal and physical custody, or in the permanent care of adoptive parents.

31.32 Sec. 35. **[256N.01] PUBLIC POLICY.**

32.1 (a) The legislature declares that the public policy of this state is to keep children safe
32.2 from harm and to ensure that when children suffer harmful or injurious experiences in
32.3 their lives, appropriate services are immediately available to keep them safe.

32.4 (b) Children do best in permanent, safe, nurturing homes where they can maintain
32.5 lifelong relationships with adults. Whenever safely possible, children are best served
32.6 when they can be nurtured and raised by their parents. Where services cannot be provided
32.7 to allow a child to remain safely at home, an out-of-home placement may be required.
32.8 When this occurs, reunification should be sought if it can be accomplished safely. When
32.9 it is not possible for parents to provide safety and permanency for their children, an
32.10 alternative permanent home must quickly be made available to the child, drawing from
32.11 kinship sources whenever possible.

32.12 (c) Minnesota understands the importance of having a comprehensive approach to
32.13 temporary out-of-home care and to permanent homes for children who cannot be reunited
32.14 with their families. It is critical that stable benefits be available to caregivers to ensure
32.15 that the child's needs can be met whether the child's situation and best interests call for
32.16 temporary foster care, transfer of permanent legal and physical custody to a relative, or
32.17 adoption. Northstar Care for Children focuses on the child's needs and strengths, and
32.18 the actual level of care provided by the caregiver, without consideration for the type of
32.19 placement setting. In this way caregivers are not faced with the burden of making specific
32.20 long-term decisions based upon competing financial incentives.

32.21 Sec. 36. **[256N.02] DEFINITIONS.**

32.22 Subdivision 1. **Scope.** For the purposes of sections 256N.001 to 256N.28, the terms
32.23 defined in this section have the meanings given them.

32.24 Subd. 2. **Adoption assistance.** "Adoption assistance" means medical coverage as
32.25 allowable under section 256B.055 and reimbursement of nonrecurring expenses associated
32.26 with adoption and may include financial support provided under agreement with the
32.27 financially responsible agency, the commissioner, and the parents of an adoptive child
32.28 whose special needs would otherwise make it difficult to place the child for adoption to
32.29 assist with the cost of caring for the child. Financial support may include a basic rate
32.30 payment and a supplemental difficulty of care rate.

32.31 Subd. 3. **Assessment.** "Assessment" means the process under section 256N.24 that
32.32 determines the benefits an eligible child may receive under section 256N.26.

32.33 Subd. 4. **At-risk child.** "At-risk child" means a child who does not have a
32.34 documented disability but who is at risk of developing a physical, mental, emotional, or
32.35 behavioral disability based on being related within the first or second degree to persons

33.1 who have an inheritable physical, mental, emotional, or behavioral disabling condition,
33.2 or from a background which has the potential to cause the child to develop a physical,
33.3 mental, emotional, or behavioral disability that the child is at risk of developing. The
33.4 disability must manifest during childhood.

33.5 Subd. 5. **Basic rate.** "Basic rate" means the maintenance payment made on behalf
33.6 of a child to support the costs caregivers incur to provide for a child's needs consistent with
33.7 the care parents customarily provide, including: food, clothing, shelter, daily supervision,
33.8 school supplies, and a child's personal incidentals. It also supports typical travel to the
33.9 child's home for visitation, and reasonable travel for the child to remain in the school in
33.10 which the child is enrolled at the time of placement.

33.11 Subd. 6. **Caregiver.** "Caregiver" means the foster parent or parents of a child in
33.12 foster care who meet the requirements of emergency relative placement, licensed foster
33.13 parents under chapter 245A, or foster parents licensed or approved by a tribe; the relative
33.14 custodian or custodians; or the adoptive parent or parents who have legally adopted a child.

33.15 Subd. 7. **Commissioner.** "Commissioner" means the commissioner of human
33.16 services or any employee of the Department of Human Services to whom the
33.17 commissioner has delegated appropriate authority.

33.18 Subd. 8. **County board.** "County board" means the board of county commissioners
33.19 in each county.

33.20 Subd. 9. **Disability.** "Disability" means a physical, mental, emotional, or behavioral
33.21 impairment that substantially limits one or more major life activities. Major life activities
33.22 include, but are not limited to: thinking, walking, hearing, breathing, working, seeing,
33.23 speaking, communicating, learning, developing and maintaining healthy relationships,
33.24 safely caring for oneself, and performing manual tasks. The nature, duration, and severity
33.25 of the impairment must be considered in determining if the limitation is substantial.

33.26 Subd. 10. **Financially responsible agency.** "Financially responsible agency" means
33.27 the agency that is financially responsible for a child. These agencies include both local
33.28 social service agencies under section 393.07 and tribal social service agencies authorized
33.29 in section 256.01, subdivision 14b, as part of the American Indian Child Welfare Initiative,
33.30 and Minnesota tribes who assume financial responsibility of children from other states.
33.31 Under Northstar Care for Children, the agency that is financially responsible at the time of
33.32 placement for foster care continues to be responsible under section 256N.27 for the local
33.33 share of any maintenance payments, even after finalization of the adoption of transfer of
33.34 permanent legal and physical custody of a child.

33.35 Subd. 11. **Guardianship assistance.** "Guardianship assistance" means medical
33.36 coverage, as allowable under section 256B.055, and reimbursement of nonrecurring

34.1 expenses associated with obtaining permanent legal and physical custody of a child, and
34.2 may include financial support provided under agreement with the financially responsible
34.3 agency, the commissioner, and the relative who has received a transfer of permanent legal
34.4 and physical custody of a child. Financial support may include a basic rate payment and a
34.5 supplemental difficulty of care rate to assist with the cost of caring for the child.

34.6 Subd. 12. **Human services board.** "Human services board" means a board
34.7 established under section 402.02; Laws 1974, chapter 293; or Laws 1976, chapter 340.

34.8 Subd. 13. **Initial assessment.** "Initial assessment" means the assessment conducted
34.9 within the first 30 days of a child's initial placement into foster care under section
34.10 256N.24, subdivisions 4 and 5.

34.11 Subd. 14. **Legally responsible agency.** "Legally responsible agency" means the
34.12 Minnesota agency that is assigned responsibility for placement, care, and supervision
34.13 of the child through a court order, voluntary placement agreement, or voluntary
34.14 relinquishment. These agencies include local social service agencies under section 393.07,
34.15 tribal social service agencies authorized in section 256.01, subdivision 14b, and Minnesota
34.16 tribes that assume court jurisdiction when legal responsibility is transferred to the tribal
34.17 social service agency through a Minnesota district court order. A Minnesota local social
34.18 service agency is otherwise financially responsible.

34.19 Subd. 15. **Maintenance payments.** "Maintenance payments" means the basic
34.20 rate plus any supplemental difficulty of care rate under Northstar Care for Children. It
34.21 specifically does not include the cost of initial clothing allowance, payment for social
34.22 services, or administrative payments to a child-placing agency. Payments are paid
34.23 consistent with section 256N.26.

34.24 Subd. 16. **Permanent legal and physical custody.** "Permanent legal and physical
34.25 custody" means a transfer of permanent legal and physical custody to a relative ordered by
34.26 a Minnesota juvenile court under section 260C.515, subdivision 4, or for a child under
34.27 jurisdiction of a tribal court, a judicial determination under a similar provision in tribal
34.28 code which means that a relative will assume the duty and authority to provide care,
34.29 control, and protection of a child who is residing in foster care, and to make decisions
34.30 regarding the child's education, health care, and general welfare until adulthood.

34.31 Subd. 17. **Reassessment.** "Reassessment" means an update of a previous assessment
34.32 through the process under section 256N.24 for a child who has been continuously eligible
34.33 for Northstar Care for Children, or when a child identified as an at-risk child (Level A)
34.34 under guardianship or adoption assistance has manifested the disability upon which
34.35 eligibility for the agreement was based according to section 256N.25, subdivision 3,

35.1 paragraph (b). A reassessment may be used to update an initial assessment, a special
35.2 assessment, or a previous reassessment.

35.3 Subd. 18. **Relative.** "Relative," as described in section 260C.007, subdivision 27,
35.4 means a person related to the child by blood, marriage, or adoption, or an individual who
35.5 is an important friend with whom the child has resided or had significant contact. For an
35.6 Indian child, relative includes members of the extended family as defined by the law or
35.7 custom of the Indian child's tribe or, in the absence of law or custom, nieces, nephews,
35.8 or first or second cousins, as provided in the Indian Child Welfare Act of 1978, United
35.9 States Code, title 25, section 1903.

35.10 Subd. 19. **Relative custodian.** "Relative custodian" means a person to whom
35.11 permanent legal and physical custody of a child has been transferred under section
35.12 260C.515, subdivision 4, or for a child under jurisdiction of a tribal court, a judicial
35.13 determination under a similar provision in tribal code, which means that a relative will
35.14 assume the duty and authority to provide care, control, and protection of a child who is
35.15 residing in foster care, and to make decisions regarding the child's education, health
35.16 care, and general welfare until adulthood.

35.17 Subd. 20. **Special assessment.** "Special assessment" means an assessment
35.18 performed under section 256N.24 that determines the benefits that an eligible child may
35.19 receive under section 256N.26 at the time when a special assessment is required. A special
35.20 assessment is used in the following circumstances when a child's status within Northstar
35.21 Care is shifted from a pre-Northstar Care program into Northstar Care for Children when
35.22 the commissioner determines that a special assessment is appropriate instead of assigning
35.23 the transition child to a level under section 256N.28.

35.24 Subd. 21. **Supplemental difficulty of care rate.** "Supplemental difficulty of care
35.25 rate" means the supplemental payment under section 256N.26, if any, as determined by
35.26 the financially responsible agency or the state, based upon an assessment under section
35.27 256N.24. The rate must support activities consistent with the care a parent provides a child
35.28 with special needs and not the equivalent of a purchased service. The rate must consider
35.29 the capacity and intensity of the activities associated with parenting duties provided in
35.30 the home to nurture the child, preserve the child's connections, and support the child's
35.31 functioning in the home and community.

35.32 **Sec. 37. [256N.20] NORTHSTAR CARE FOR CHILDREN; GENERALLY.**

35.33 Subdivision 1. **Eligibility.** A child is eligible for Northstar Care for Children if
35.34 the child is eligible for:

35.35 (1) foster care under section 256N.21;

36.1 (2) guardianship assistance under section 256N.22; or

36.2 (3) adoption assistance under section 256N.23.

36.3 Subd. 2. **Assessments.** Except as otherwise specified, a child eligible for Northstar
36.4 Care for Children shall receive an assessment under section 256N.24.

36.5 Subd. 3. **Agreements.** When a child is eligible for guardianship assistance or
36.6 adoption assistance, negotiations with caregivers and the development of a written,
36.7 binding agreement must be conducted under section 256N.25.

36.8 Subd. 4. **Benefits and payments.** A child eligible for Northstar Care for Children is
36.9 entitled to benefits specified in section 256N.26, based primarily on assessments under
36.10 section 256N.24, and, if appropriate, negotiations and agreements under section 256N.25.
36.11 Although paid to the caregiver, these benefits must be considered benefits of the child
36.12 rather than of the caregiver.

36.13 Subd. 5. **Federal, state, and local shares.** The cost of Northstar Care for Children
36.14 must be shared among the federal government, state, counties of financial responsibility,
36.15 and certain tribes as specified in section 256N.27.

36.16 Subd. 6. **Administration and appeals.** The commissioner and financially
36.17 responsible agency, or other agency designated by the commissioner, shall administer
36.18 Northstar Care for Children according to section 256N.28. The notification and fair
36.19 hearing process applicable to this chapter is defined in section 256N.28.

36.20 Subd. 7. **Transition.** A child in foster care, relative custody assistance, or adoption
36.21 assistance prior to January 1, 2015, who remains with the same caregivers continues
36.22 to receive benefits under programs preceding Northstar Care for Children, unless the
36.23 child moves to a new foster care placement, permanency is obtained for the child, or the
36.24 commissioner initiates transition of a child receiving pre-Northstar Care for Children
36.25 relative custody assistance, guardianship assistance, or adoption assistance under this
36.26 chapter. Provisions for the transition to Northstar Care for Children for certain children in
36.27 preceding programs are specified in section 256N.28, subdivisions 2 and 7. Additional
36.28 provisions for children in: foster care are specified in section 256N.21, subdivision
36.29 6; relative custody assistance under section 257.85 are specified in section 256N.22,
36.30 subdivision 12; and adoption assistance under chapter 259A are specified in section
36.31 256N.23, subdivision 13.

36.32 **Sec. 38. [256N.21] ELIGIBILITY FOR FOSTER CARE BENEFITS.**

36.33 Subdivision 1. **General eligibility requirements.** (a) A child is eligible for foster
36.34 care benefits under this section if the child meets the requirements of subdivision 2 on
36.35 or after January 1, 2015.

37.1 (b) The financially responsible agency shall make a title IV-E eligibility determination
37.2 for all foster children meeting the requirements of subdivision 2, provided the agency has
37.3 such authority under the state title IV-E plan. To be eligible for title IV-E foster care, a child
37.4 must also meet any additional criteria specified in section 472 of the Social Security Act.

37.5 (c) Except as provided under section 256N.26, subdivision 1 or 6, the foster care
37.6 benefit to the child under this section must be determined under sections 256N.24 and
37.7 256N.26 through an individual assessment. Information from this assessment must be
37.8 used to determine a potential future benefit under guardianship assistance or adoption
37.9 assistance, if needed.

37.10 (d) When a child is eligible for additional services, subdivisions 3 and 4 govern
37.11 the co-occurrence of program eligibility.

37.12 Subd. 2. **Placement in foster care.** To be eligible for foster care benefits under this
37.13 section, the child must be in placement away from the child's legal parent or guardian and
37.14 all of the following criteria must be met:

37.15 (1) the legally responsible agency must have placement authority and care
37.16 responsibility, including for a child 18 years old or older and under age 21, who maintains
37.17 eligibility for foster care consistent with section 260C.451;

37.18 (2) the legally responsible agency must have authority to place the child with a
37.19 voluntary placement agreement or a court order, consistent with sections 260B.198,
37.20 260C.001, 260D.01, or continued eligibility consistent with section 260C.451; and

37.21 (3) the child must be placed in an emergency relative placement under section
37.22 245A.035, a licensed foster family setting, foster residence setting, or treatment foster
37.23 care setting licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, a family
37.24 foster home licensed or approved by a tribal agency or, for a child 18 years old or older
37.25 and under age 21, an unlicensed supervised independent living setting approved by the
37.26 agency responsible for the youth's care.

37.27 Subd. 3. **Minor parent.** A child who is a minor parent in placement with the minor
37.28 parent's child in the same home is eligible for foster care benefits under this section. The
37.29 foster care benefit is limited to the minor parent, unless the legally responsible agency has
37.30 separate legal authority for placement of the minor parent's child.

37.31 Subd. 4. **Foster children ages 18 up to 21 placed in an unlicensed supervised**
37.32 **independent living setting.** A foster child 18 years old or older and under age 21 who
37.33 maintains eligibility consistent with section 260C.451 and who is placed in an unlicensed
37.34 supervised independent living setting shall receive the level of benefit under section
37.35 256N.26.

38.1 Subd. 5. Excluded activities. The basic and supplemental difficulty of care
38.2 payment represents costs for activities similar in nature to those expected of parents,
38.3 and does not cover services rendered by the licensed or tribally approved foster parent,
38.4 facility, or administrative costs or fees. The financially responsible agency may pay an
38.5 additional fee for specific services provided by the licensed foster parent or facility. A
38.6 foster parent or residence setting must distinguish such a service from the daily care of the
38.7 child as assessed through the process under section 256N.24.

38.8 Subd. 6. Transition from pre-Northstar Care for Children program. (a) Section
38.9 256.82 establishes the pre-Northstar Care for Children foster care program for all children
38.10 residing in family foster care on December 31, 2014. Unless transitioned under paragraph
38.11 (b), a child in foster care with the same caregiver receives benefits under this pre-Northstar
38.12 Care for Children foster care program.

38.13 (b) Transition from the pre-Northstar Care for Children foster care program to
38.14 Northstar Care for Children takes place on or after January 1, 2015, when the child:

38.15 (1) moves to a different foster home or unlicensed supervised independent living
38.16 setting;

38.17 (2) has permanent legal and physical custody transferred and, if applicable, meets
38.18 eligibility requirements in section 256N.22;

38.19 (3) is adopted and, if applicable, meets eligibility requirements in section 256N.23; or

38.20 (4) re-enters foster care after reunification or a trial home visit.

38.21 (c) Upon becoming eligible, a foster child must be assessed according to section
38.22 256N.24 and then transitioned into Northstar Care for Children according to section
38.23 256N.28.

38.24 **Sec. 39. [256N.22] GUARDIANSHIP ASSISTANCE ELIGIBILITY.**

38.25 Subdivision 1. General eligibility requirements. (a) To be eligible for the
38.26 guardianship assistance under this section, there must be a judicial determination under
38.27 section 260C.515, subdivision 4, that a transfer of permanent legal and physical custody to
38.28 a relative is in the child's best interest. For a child under jurisdiction of a tribal court, a
38.29 judicial determination under a similar provision in tribal code indicating that a relative
38.30 will assume the duty and authority to provide care, control, and protection of a child who
38.31 is residing in foster care, and to make decisions regarding the child's education, health
38.32 care, and general welfare until adulthood, and that this is in the child's best interest is
38.33 considered equivalent. Additionally, a child must:

38.34 (1) have been removed from the child's home pursuant to a voluntary placement
38.35 agreement or court order;

39.1 (2)(i) have resided in foster care for at least six consecutive months in the home
39.2 of the prospective relative custodian; or

39.3 (ii) have received an exemption from the requirement in item (i) from the court
39.4 based on a determination that:

39.5 (A) an expedited move to permanency is in the child's best interest;

39.6 (B) expedited permanency cannot be completed without provision of guardianship
39.7 assistance; and

39.8 (C) the prospective relative custodian is uniquely qualified to meet the child's needs
39.9 on a permanent basis;

39.10 (3) meet the agency determinations regarding permanency requirements in
39.11 subdivision 2;

39.12 (4) meet the applicable citizenship and immigration requirements in subdivision
39.13 3; and

39.14 (5) have been consulted regarding the proposed transfer of permanent legal and
39.15 physical custody to a relative, if the child is at least 14 years of age or is expected to attain
39.16 14 years of age prior to the transfer of permanent legal and physical custody; and

39.17 (6) have a written, binding agreement under section 256N.25 among the caregiver or
39.18 caregivers, the financially responsible agency, and the commissioner established prior to
39.19 transfer of permanent legal and physical custody.

39.20 (b) In addition to the requirements in paragraph (a), the child's prospective relative
39.21 custodian or custodians must meet the applicable background study requirements in
39.22 subdivision 4.

39.23 (c) To be eligible for title IV-E guardianship assistance, a child must also meet any
39.24 additional criteria in section 473(d) of the Social Security Act. The sibling of a child
39.25 who meets the criteria for title IV-E guardianship assistance in section 473(d) of the
39.26 Social Security Act is eligible for title IV-E guardianship assistance if the child and
39.27 sibling are placed with the same prospective relative custodian or custodians, and the
39.28 legally responsible agency, relatives, and commissioner agree on the appropriateness of
39.29 the arrangement for the sibling. A child who meets all eligibility criteria except those
39.30 specific to title IV-E guardianship assistance is entitled to guardianship assistance paid
39.31 through funds other than title IV-E.

39.32 Subd. 2. Agency determinations regarding permanency. (a) To be eligible for
39.33 guardianship assistance, the legally responsible agency must complete the following
39.34 determinations regarding permanency for the child prior to the transfer of permanent
39.35 legal and physical custody:

40.1 (1) a determination that reunification and adoption are not appropriate permanency
40.2 options for the child; and

40.3 (2) a determination that the child demonstrates a strong attachment to the prospective
40.4 relative custodian and the prospective relative custodian has a strong commitment to
40.5 caring permanently for the child.

40.6 (b) The legally responsible agency shall document the determinations in paragraph
40.7 (a) and the supporting information for completing each determination in the case file and
40.8 make them available for review as requested by the financially responsible agency and the
40.9 commissioner during the guardianship assistance eligibility determination process.

40.10 Subd. 3. **Citizenship and immigration status.** A child must be a citizen of the
40.11 United States or otherwise be eligible for federal public benefits according to the Personal
40.12 Responsibility and Work Opportunity Reconciliation Act of 1996, as amended, in order
40.13 to be eligible for guardianship assistance.

40.14 Subd. 4. **Background study.** (a) A background study under section 245C.33 must
40.15 be completed on each prospective relative custodian and any other adult residing in the
40.16 home of the prospective relative custodian. A background study on the prospective
40.17 relative custodian or adult residing in the household previously completed under section
40.18 245C.04 for the purposes of foster care licensure may be used for the purposes of this
40.19 section, provided that the background study is current at the time of the application for
40.20 guardianship assistance.

40.21 (b) If the background study reveals:

40.22 (1) a felony conviction at any time for:

40.23 (i) child abuse or neglect;

40.24 (ii) spousal abuse;

40.25 (iii) a crime against a child, including child pornography; or

40.26 (iv) a crime involving violence, including rape, sexual assault, or homicide, but not
40.27 including other physical assault or battery; or

40.28 (2) a felony conviction within the past five years for:

40.29 (i) physical assault;

40.30 (ii) battery; or

40.31 (iii) a drug-related offense;

40.32 the prospective relative custodian is prohibited from receiving guardianship assistance
40.33 on behalf of an otherwise eligible child.

40.34 Subd. 5. **Responsibility for determining guardianship assistance eligibility.** The
40.35 commissioner shall determine eligibility for:

41.1 (1) a child under the legal custody or responsibility of a Minnesota county social
41.2 service agency who would otherwise remain in foster care;

41.3 (2) a Minnesota child under tribal court jurisdiction who would otherwise remain
41.4 in foster care; and

41.5 (3) an Indian child being placed in Minnesota who meets title IV-E eligibility defined
41.6 in section 473(d) of the Social Security Act. The agency or entity assuming responsibility
41.7 for the child is responsible for the nonfederal share of the guardianship assistance payment.

41.8 Subd. 6. **Exclusions.** (a) A child with a guardianship assistance agreement under
41.9 Northstar Care for Children is not eligible for the Minnesota family investment program
41.10 child-only grant under chapter 256J.

41.11 (b) The commissioner shall not enter into a guardianship assistance agreement with:

41.12 (1) a child's biological parent;

41.13 (2) an individual assuming permanent legal and physical custody of a child or the
41.14 equivalent under tribal code without involvement of the child welfare system; or

41.15 (3) an individual assuming permanent legal and physical custody of a child who was
41.16 placed in Minnesota by another state or a tribe outside of Minnesota.

41.17 Subd. 7. **Guardianship assistance eligibility determination.** The financially
41.18 responsible agency shall prepare a guardianship assistance eligibility determination
41.19 for review and final approval by the commissioner. The eligibility determination must
41.20 be completed according to requirements and procedures and on forms prescribed by
41.21 the commissioner. Supporting documentation for the eligibility determination must be
41.22 provided to the commissioner. The financially responsible agency and the commissioner
41.23 must make every effort to establish a child's eligibility for title IV-E guardianship
41.24 assistance. A child who is determined to be eligible for guardianship assistance must
41.25 have a guardianship assistance agreement negotiated on the child's behalf according to
41.26 section 256N.25.

41.27 Subd. 8. **Termination of agreement.** (a) A guardianship assistance agreement must
41.28 be terminated in any of the following circumstances:

41.29 (1) the child has attained the age of 18, or up to age 21 when the child meets a
41.30 condition for extension in subdivision 11;

41.31 (2) the child has not attained the age of 18 years of age, but the commissioner
41.32 determines the relative custodian is no longer legally responsible for support of the child;

41.33 (3) the commissioner determines the relative custodian is no longer providing
41.34 financial support to the child up to age 21;

41.35 (4) the death of the child; or

42.1 (5) the relative custodian requests in writing termination of the guardianship
42.2 assistance agreement.

42.3 (b) A relative custodian is considered no longer legally responsible for support of
42.4 the child in any of the following circumstances:

42.5 (1) permanent legal and physical custody or guardianship of the child is transferred
42.6 to another individual;

42.7 (2) death of the relative custodian under subdivision 9;

42.8 (3) child enlists in the military;

42.9 (4) child gets married; or

42.10 (5) child is determined an emancipated minor through legal action.

42.11 Subd. 9. **Death of relative custodian or dissolution of custody.** The guardianship
42.12 assistance agreement ends upon death or dissolution of permanent legal and physical
42.13 custody of both relative custodians in the case of assignment of custody to two individuals,
42.14 or the sole relative custodian in the case of assignment of custody to one individual.
42.15 Guardianship assistance eligibility may be continued according to subdivision 10.

42.16 Subd. 10. **Assigning a child's guardianship assistance to a court-appointed**
42.17 **guardian or custodian.** (a) Guardianship assistance may be continued with the written
42.18 consent of the commissioner to an individual who is a guardian or custodian appointed by
42.19 a court for the child upon the death of both relative custodians in the case of assignment
42.20 of custody to two individuals, or the sole relative custodian in the case of assignment
42.21 of custody to one individual, unless the child is under the custody of a county, tribal,
42.22 or child-placing agency.

42.23 (b) Temporary assignment of guardianship assistance may be approved for a
42.24 maximum of six consecutive months from the death of the relative custodian or custodians
42.25 as provided in paragraph (a) and must adhere to the policies and procedures prescribed by
42.26 the commissioner. If a court has not appointed a permanent legal guardian or custodian
42.27 within six months, the guardianship assistance must terminate and must not be resumed.

42.28 (c) Upon assignment of assistance payments under this subdivision, assistance must
42.29 be provided from funds other than title IV-E.

42.30 Subd. 11. **Extension of guardianship assistance after age 18.** (a) Under the
42.31 circumstances outlined in paragraph (e), a child may qualify for extension of the
42.32 guardianship assistance agreement beyond the date the child attains age 18, up to the
42.33 date the child attains the age of 21.

42.34 (b) A request for extension of the guardianship assistance agreement must be
42.35 completed in writing and submitted, including all supporting documentation, by the

43.1 relative custodian to the commissioner at least 60 calendar days prior to the date that the
43.2 current agreement will terminate.

43.3 (c) A signed amendment to the current guardianship assistance agreement must be
43.4 fully executed between the relative custodian and the commissioner at least ten business
43.5 days prior to the termination of the current agreement. The request for extension and
43.6 the fully executed amendment must be made according to requirements and procedures
43.7 prescribed by the commissioner, including documentation of eligibility, and on forms
43.8 prescribed by the commissioner.

43.9 (d) If an agency is certifying a child for guardianship assistance and the child will
43.10 attain the age of 18 within 60 calendar days of submission, the request for extension must
43.11 be completed in writing and submitted, including all supporting documentation, with
43.12 the guardianship assistance application.

43.13 (e) A child who has attained the age of 16 prior to the effective date of the
43.14 guardianship assistance agreement is eligible for extension of the agreement up to the
43.15 date the child attains age 21 if the child:

43.16 (1) is dependent on the relative custodian for care and financial support; and

43.17 (2) meets at least one of the following conditions:

43.18 (i) is completing a secondary education program or a program leading to an
43.19 equivalent credential;

43.20 (ii) is enrolled in an institution which provides postsecondary or vocational education;

43.21 (iii) is participating in a program or activity designed to promote or remove barriers
43.22 to employment;

43.23 (iv) is employed for at least 80 hours per month; or

43.24 (v) is incapable of doing any of the activities described in items (i) to (iv) due to
43.25 a medical condition where incapability is supported by professional documentation
43.26 according to the requirements and procedures prescribed by the commissioner.

43.27 (f) A child who has not attained the age of 16 prior to the effective date of the
43.28 guardianship assistance agreement is eligible for extension of the guardianship assistance
43.29 agreement up to the date the child attains the age of 21 if the child is:

43.30 (1) dependent on the relative custodian for care and financial support; and

43.31 (2) possesses a physical or mental disability which impairs the capacity for
43.32 independent living and warrants continuation of financial assistance, as determined by
43.33 the commissioner.

43.34 Subd. 12. **Beginning guardianship assistance component of Northstar Care for**
43.35 **Children.** Effective November 27, 2014, a child who meets the eligibility criteria for
43.36 guardianship assistance in subdivision 1 may have a guardianship assistance agreement

44.1 negotiated on the child's behalf according to section 256N.25. The effective date of the
 44.2 agreement must be January 1, 2015, or the date of the court order transferring permanent
 44.3 legal and physical custody, whichever is later. Except as provided under section 256N.26,
 44.4 subdivision 1, paragraph (c), the rate schedule for an agreement under this subdivision
 44.5 is determined under section 256N.26 based on the age of the child on the date that the
 44.6 prospective relative custodian signs the agreement.

44.7 **Subd. 13. Transition to guardianship assistance under Northstar Care for**
 44.8 **Children.** The commissioner may execute guardianship assistance agreements for a child
 44.9 with a relative custody agreement under section 257.85 executed on the child's behalf
 44.10 on or before November 26, 2014, in accordance with the priorities outlined in section
 44.11 256N.28, subdivision 7, paragraph (b). To facilitate transition into the guardianship
 44.12 assistance program, the commissioner may waive any guardianship assistance eligibility
 44.13 requirements for a child with a relative custody agreement under section 257.85 executed
 44.14 on the child's behalf on or before November 26, 2014. Agreements negotiated under
 44.15 this subdivision must be done according to the process outlined in section 256N.28,
 44.16 subdivision 7. The maximum rate used in the negotiation process for an agreement under
 44.17 this subdivision must be as outlined in section 256N.28, subdivision 7.

44.18 **Sec. 40. [256N.23] ADOPTION ASSISTANCE ELIGIBILITY.**

44.19 **Subdivision 1. General eligibility requirements.** (a) To be eligible for adoption
 44.20 assistance under this section, a child must:

- 44.21 (1) be determined to be a child with special needs under subdivision 2;
 44.22 (2) meet the applicable citizenship and immigration requirements in subdivision 3;
 44.23 (3)(i) meet the criteria in section 473 of the Social Security Act; or

44.24 (ii) have had foster care payments paid on the child's behalf while in out-of-home
 44.25 placement through the county or tribe and be either under the guardianship of the
 44.26 commissioner or under the jurisdiction of a Minnesota tribe and adoption, according to
 44.27 tribal law, is in the child's documented permanency plan; and

44.28 (4) have a written, binding agreement under section 256N.25 among the adoptive
 44.29 parent, the financially responsible agency, or if there is no financially responsible agency,
 44.30 the agency designated by the commissioner, and the commissioner established prior to
 44.31 finalization of the adoption.

44.32 (b) In addition to the requirements in paragraph (a), an eligible child's adoptive parent
 44.33 or parents must meet the applicable background study requirements in subdivision 4.

44.34 (c) A child who meets all eligibility criteria except those specific to title IV-E adoption
 44.35 assistance shall receive adoption assistance paid through funds other than title IV-E.

45.1 Subd. 2. **Special needs determination.** (a) A child is considered a child with
45.2 special needs under this section if the requirements in paragraphs (b) to (g) are met.

45.3 (b) There must be a determination that the child must not or should not be returned
45.4 to the home of the child's parents as evidenced by:

45.5 (1) a court-ordered termination of parental rights;

45.6 (2) a petition to terminate parental rights;

45.7 (3) consent of parent to adoption accepted by the court under chapter 260C;

45.8 (4) in circumstances when tribal law permits the child to be adopted without a
45.9 termination of parental rights, a judicial determination by a tribal court indicating the valid
45.10 reason why the child cannot or should not return home;

45.11 (5) a voluntary relinquishment under section 259.25 or 259.47 or, if relinquishment
45.12 occurred in another state, the applicable laws in that state; or

45.13 (6) the death of the legal parent or parents if the child has two legal parents.

45.14 (c) There exists a specific factor or condition of which it is reasonable to conclude
45.15 that the child cannot be placed with adoptive parents without providing adoption
45.16 assistance as evidenced by:

45.17 (1) a determination by the Social Security Administration that the child meets all
45.18 medical or disability requirements of title XVI of the Social Security Act with respect to
45.19 eligibility for Supplemental Security Income benefits;

45.20 (2) a documented physical, mental, emotional, or behavioral disability not covered
45.21 under clause (1);

45.22 (3) a member of a sibling group being adopted at the same time by the same parent;

45.23 (4) an adoptive placement in the home of a parent who previously adopted a sibling
45.24 for whom they receive adoption assistance; or

45.25 (5) documentation that the child is an at-risk child.

45.26 (d) A reasonable but unsuccessful effort must have been made to place the child
45.27 with adoptive parents without providing adoption assistance as evidenced by:

45.28 (1) a documented search for an appropriate adoptive placement; or

45.29 (2) a determination by the commissioner that a search under clause (1) is not in the
45.30 best interests of the child.

45.31 (e) The requirement for a documented search for an appropriate adoptive placement
45.32 under paragraph (d), including the registration of the child with the state adoption
45.33 exchange and other recruitment methods under paragraph (f), must be waived if:

45.34 (1) the child is being adopted by a relative and it is determined by the child-placing
45.35 agency that adoption by the relative is in the best interests of the child;

46.1 (2) the child is being adopted by a foster parent with whom the child has developed
46.2 significant emotional ties while in the foster parent's care as a foster child and it is
46.3 determined by the child-placing agency that adoption by the foster parent is in the best
46.4 interests of the child; or

46.5 (3) the child is being adopted by a parent that previously adopted a sibling of the
46.6 child, and it is determined by the child-placing agency that adoption by this parent is
46.7 in the best interests of the child.

46.8 For an Indian child covered by the Indian Child Welfare Act, a waiver must not be
46.9 granted unless the child-placing agency has complied with the placement preferences
46.10 required by the Indian Child Welfare Act, United States Code, title 25, section 1915(a).

46.11 (f) To meet the requirement of a documented search for an appropriate adoptive
46.12 placement under paragraph (d), clause (1), the child-placing agency minimally must:

46.13 (1) conduct a relative search as required by section 260C.221 and give consideration
46.14 to placement with a relative, as required by section 260C.212, subdivision 2;

46.15 (2) comply with the placement preferences required by the Indian Child Welfare Act
46.16 when the Indian Child Welfare Act, United States Code, title 25, section 1915(a), applies;

46.17 (3) locate prospective adoptive families by registering the child on the state adoption
46.18 exchange, as required under section 259.75; and

46.19 (4) if registration with the state adoption exchange does not result in the identification
46.20 of an appropriate adoptive placement, the agency must employ additional recruitment
46.21 methods prescribed by the commissioner.

46.22 (g) Once the legally responsible agency has determined that placement with an
46.23 identified parent is in the child's best interests and made full written disclosure about the
46.24 child's social and medical history, the agency must ask the prospective adoptive parent if
46.25 the prospective adoptive parent is willing to adopt the child without receiving adoption
46.26 assistance under this section. If the identified parent is either unwilling or unable to
46.27 adopt the child without adoption assistance, the legally responsible agency must provide
46.28 documentation as prescribed by the commissioner to fulfill the requirement to make a
46.29 reasonable effort to place the child without adoption assistance. If the identified parent is
46.30 willing to adopt the child without adoption assistance, the parent must provide a written
46.31 statement to this effect to the legally responsible agency and the statement must be
46.32 maintained in the permanent adoption record of the legally responsible agency. For children
46.33 under guardianship of the commissioner, the legally responsible agency shall submit a copy
46.34 of this statement to the commissioner to be maintained in the permanent adoption record.

46.35 Subd. 3. **Citizenship and immigration status.** (a) A child must be a citizen of the
46.36 United States or otherwise eligible for federal public benefits according to the Personal

47.1 Responsibility and Work Opportunity Reconciliation Act of 1996, as amended, in order to
 47.2 be eligible for the title IV-E adoption assistance program.

47.3 (b) A child must be a citizen of the United States or meet the qualified alien
 47.4 requirements as defined in the Personal Responsibility and Work Opportunity
 47.5 Reconciliation Act of 1996, as amended, in order to be eligible for adoption assistance
 47.6 paid through funds other than title IV-E.

47.7 Subd. 4. **Background study.** A background study under section 259.41 must be
 47.8 completed on each prospective adoptive parent. If the background study reveals:

47.9 (1) a felony conviction at any time for:

47.10 (i) child abuse or neglect;

47.11 (ii) spousal abuse;

47.12 (iii) a crime against a child, including child pornography; or

47.13 (iv) a crime involving violence, including rape, sexual assault, or homicide, but not
 47.14 including other physical assault or battery; or

47.15 (2) a felony conviction within the past five years for:

47.16 (i) physical assault;

47.17 (ii) battery; or

47.18 (iii) a drug-related offense;

47.19 the adoptive parent is prohibited from receiving adoption assistance on behalf of an
 47.20 otherwise eligible child.

47.21 Subd. 5. **Responsibility for determining adoption assistance eligibility.** The
 47.22 commissioner must determine eligibility for:

47.23 (1) a child under the guardianship of the commissioner who would otherwise remain
 47.24 in foster care;

47.25 (2) a child who is not under the guardianship of the commissioner who meets title
 47.26 IV-E eligibility defined in section 473 of the Social Security Act and no state agency has
 47.27 legal responsibility for placement and care of the child;

47.28 (3) a Minnesota child under tribal jurisdiction who would otherwise remain in foster
 47.29 care; and

47.30 (4) an Indian child being placed in Minnesota who meets title IV-E eligibility defined
 47.31 in section 473 of the Social Security Act. The agency or entity assuming responsibility for
 47.32 the child is responsible for the nonfederal share of the adoption assistance payment.

47.33 Subd. 6. **Exclusions.** The commissioner must not enter into an adoption assistance
 47.34 agreement with the following individuals:

47.35 (1) a child's biological parent or stepparent;

48.1 (2) a child's relative under section 260C.007, subdivision 27, with whom the child
48.2 resided immediately prior to child welfare involvement unless:

48.3 (i) the child was in the custody of a Minnesota county or tribal agency pursuant to
48.4 an order under chapter 260C or equivalent provisions of tribal code and the agency had
48.5 placement and care responsibility for permanency planning for the child; and

48.6 (ii) the child is under guardianship of the commissioner of human services according
48.7 to the requirements of section 260C.325, subdivision 1 or 3, or is a ward of a Minnesota
48.8 tribal court after termination of parental rights, suspension of parental rights, or a finding
48.9 by the tribal court that the child cannot safely return to the care of the parent;

48.10 (3) an individual adopting a child who is the subject of a direct adoptive placement
48.11 under section 259.47 or the equivalent in tribal code;

48.12 (4) a child's legal custodian or guardian who is now adopting the child; or

48.13 (5) an individual who is adopting a child who is not a citizen or resident of the
48.14 United States and was either adopted in another country or brought to the United States
48.15 for the purposes of adoption.

48.16 Subd. 7. **Adoption assistance eligibility determination.** (a) The financially
48.17 responsible agency shall prepare an adoption assistance eligibility determination for
48.18 review and final approval by the commissioner. When there is no financially responsible
48.19 agency, the adoption assistance eligibility determination must be completed by the
48.20 agency designated by the commissioner. The eligibility determination must be completed
48.21 according to requirements and procedures and on forms prescribed by the commissioner.
48.22 The financially responsible agency and the commissioner shall make every effort to
48.23 establish a child's eligibility for title IV-E adoption assistance. Documentation from a
48.24 qualified expert for the eligibility determination must be provided to the commissioner
48.25 to verify that a child meets the special needs criteria in subdivision 2. A child who
48.26 is determined to be eligible for adoption assistance must have an adoption assistance
48.27 agreement negotiated on the child's behalf according to section 256N.25.

48.28 (b) Documentation from a qualified expert of a disability is limited to evidence
48.29 deemed appropriate by the commissioner and must be submitted to the commissioner with
48.30 the eligibility determination. Examples of appropriate documentation include, but are not
48.31 limited to, medical records, psychological assessments, educational or early childhood
48.32 evaluations, court findings, and social and medical history.

48.33 (c) Documentation that the child is at risk of developing physical, mental, emotional,
48.34 or behavioral disabilities must be submitted according to policies and procedures
48.35 prescribed by the commissioner.

49.1 Subd. 8. **Termination of agreement.** (a) An adoption assistance agreement must
49.2 terminate in any of the following circumstances:

49.3 (1) the child has attained the age of 18, or up to age 21 when the child meets a
49.4 condition for extension in subdivision 12;

49.5 (2) the child has not attained the age of 18, but the commissioner determines the
49.6 adoptive parent is no longer legally responsible for support of the child;

49.7 (3) the commissioner determines the adoptive parent is no longer providing financial
49.8 support to the child up to age 21;

49.9 (4) the death of the child; or

49.10 (5) the adoptive parent requests in writing the termination of the adoption assistance
49.11 agreement.

49.12 (b) An adoptive parent is considered no longer legally responsible for support of the
49.13 child in any of the following circumstances:

49.14 (1) parental rights to the child are legally terminated or a court accepted the parent's
49.15 consent to adoption under chapter 260C;

49.16 (2) permanent legal and physical custody or guardianship of the child is transferred
49.17 to another individual;

49.18 (3) death of the adoptive parent under subdivision 9;

49.19 (4) the child enlists in the military;

49.20 (5) the child gets married; or

49.21 (6) the child is determined an emancipated minor through legal action.

49.22 Subd. 9. **Death of adoptive parent or adoption dissolution.** The adoption
49.23 assistance agreement ends upon death or termination of parental rights of both adoptive
49.24 parents in the case of a two-parent adoption, or the sole adoptive parent in the case of
49.25 a single-parent adoption. The child's adoption assistance eligibility may be continued
49.26 according to subdivision 10.

49.27 Subd. 10. **Continuing a child's title IV-E adoption assistance in a subsequent**
49.28 **adoption.** (a) The child maintains eligibility for title IV-E adoption assistance in a
49.29 subsequent adoption if the following criteria are met:

49.30 (1) the child is determined to be a child with special needs as outlined in subdivision
49.31 2; and

49.32 (2) the subsequent adoptive parent resides in Minnesota.

49.33 (b) If a child had a title IV-E adoption assistance agreement in effect prior to the
49.34 death of the adoptive parent or dissolution of the adoption, and the subsequent adoptive
49.35 parent resides outside of Minnesota, the commissioner is not responsible for determining
49.36 whether the child meets the definition of special needs, entering into the adoption

50.1 assistance agreement, and making any adoption assistance payments outlined in the new
50.2 agreement unless a state agency in Minnesota has responsibility for placement and care of
50.3 the child at the time of the subsequent adoption. If there is no state agency in Minnesota
50.4 that has responsibility for placement and care of the child at the time of the subsequent
50.5 adoption, the public child welfare agency in the subsequent adoptive parent's residence is
50.6 responsible for determining whether the child meets the definition of special needs and
50.7 entering into the adoption assistance agreement.

50.8 **Subd. 11. Assigning a child's adoption assistance to a court-appointed guardian**
50.9 **or custodian.** (a) State-funded adoption assistance may be continued with the written
50.10 consent of the commissioner to an individual who is a guardian appointed by a court for
50.11 the child upon the death of both the adoptive parents in the case of a two-parent adoption,
50.12 or the sole adoptive parent in the case of a single-parent adoption, unless the child is
50.13 under the custody of a state agency.

50.14 (b) Temporary assignment of adoption assistance may be approved by the
50.15 commissioner for a maximum of six consecutive months from the death of the adoptive
50.16 parent or parents under subdivision 9 and must adhere to the requirements and procedures
50.17 prescribed by the commissioner. If, within six months, the child has not been adopted by a
50.18 person agreed upon by the commissioner, or a court has not appointed a permanent legal
50.19 guardian under section 260C.325, 525.5-313, or similar law of another jurisdiction, the
50.20 adoption assistance must terminate.

50.21 (c) Upon assignment of payments under this subdivision, assistance must be from
50.22 funds other than title IV-E.

50.23 **Subd. 12. Extension of adoption assistance agreement.** (a) Under certain limited
50.24 circumstances a child may qualify for extension of the adoption assistance agreement
50.25 beyond the date the child attains age 18, up to the date the child attains the age of 21.

50.26 (b) A request for extension of the adoption assistance agreement must be completed
50.27 in writing and submitted, including all supporting documentation, by the adoptive parent
50.28 to the commissioner at least 60 calendar days prior to the date that the current agreement
50.29 will terminate.

50.30 (c) A signed amendment to the current adoption assistance agreement must be
50.31 fully executed between the adoptive parent and the commissioner at least ten business
50.32 days prior to the termination of the current agreement. The request for extension and the
50.33 fully executed amendment must be made according to the requirements and procedures
50.34 prescribed by the commissioner, including documentation of eligibility, on forms
50.35 prescribed by the commissioner.

51.1 (d) If an agency is certifying a child for adoption assistance and the child will attain
 51.2 the age of 18 within 60 calendar days of submission, the request for extension must be
 51.3 completed in writing and submitted, including all supporting documentation, with the
 51.4 adoption assistance application.

51.5 (e) A child who has attained the age of 16 prior to the finalization of the child's
 51.6 adoption is eligible for extension of the adoption assistance agreement up to the date the
 51.7 child attains age 21 if the child is:

51.8 (1) dependent on the adoptive parent for care and financial support; and

51.9 (2)(i) completing a secondary education program or a program leading to an
 51.10 equivalent credential;

51.11 (ii) enrolled in an institution that provides postsecondary or vocational education;

51.12 (iii) participating in a program or activity designed to promote or remove barriers to
 51.13 employment;

51.14 (iv) employed for at least 80 hours per month; or

51.15 (v) incapable of doing any of the activities described in items (i) to (iv) due to
 51.16 a medical condition where incapability is supported by documentation from an expert
 51.17 according to the requirements and procedures prescribed by the commissioner.

51.18 (f) A child who has not attained the age of 16 prior to finalization of the child's
 51.19 adoption is eligible for extension of the adoption assistance agreement up to the date the
 51.20 child attains the age of 21 if the child is:

51.21 (1) dependent on the adoptive parent for care and financial support; and

51.22 (2)(i) enrolled in a secondary education program or a program leading to the
 51.23 equivalent; or

51.24 (ii) possesses a physical or mental disability that impairs the capacity for independent
 51.25 living and warrants continuation of financial assistance as determined by the commissioner.

51.26 **Subd. 13. Beginning adoption assistance under Northstar Care for Children.**

51.27 Effective November 27, 2014, a child who meets the eligibility criteria for adoption
 51.28 assistance in subdivision 1, may have an adoption assistance agreement negotiated on
 51.29 the child's behalf according to section 256N.25, and the effective date of the agreement
 51.30 must be January 1, 2015, or the date of the court order finalizing the adoption, whichever
 51.31 is later. Except as provided under section 256N.26, subdivision 1, paragraph (c), the
 51.32 maximum rate schedule for the agreement must be determined according to section
 51.33 256N.26 based on the age of the child on the date that the prospective adoptive parent or
 51.34 parents sign the agreement.

51.35 **Subd. 14. Transition to adoption assistance under Northstar Care for Children.**

51.36 The commissioner may offer adoption assistance agreements under this chapter to a

52.1 child with an adoption assistance agreement under chapter 259A executed on the child's
52.2 behalf on or before November 26, 2014, according to the priorities outlined in section
52.3 256N.28, subdivision 7, paragraph (b). To facilitate transition into the Northstar Care for
52.4 Children adoption assistance program, the commissioner has the authority to waive any
52.5 Northstar Care for Children adoption assistance eligibility requirements for a child with
52.6 an adoption assistance agreement under chapter 259A executed on the child's behalf on
52.7 or before November 26, 2014. Agreements negotiated under this subdivision must be in
52.8 accordance with the process in section 256N.28, subdivision 7. The maximum rate used in
52.9 the negotiation process for an agreement under this subdivision must be as outlined in
52.10 section 256N.28, subdivision 7.

52.11 Sec. 41. **[256N.24] ASSESSMENTS.**

52.12 Subdivision 1. **Assessment.** (a) Each child eligible under sections 256N.21,
52.13 256N.22, and 256N.23, must be assessed to determine the benefits the child may receive
52.14 under section 256N.26, in accordance with the assessment tool, process, and requirements
52.15 specified in subdivision 2.

52.16 (b) If an agency applies the emergency foster care rate for initial placement under
52.17 section 256N.26, the agency may wait up to 30 days to complete the initial assessment.

52.18 (c) Unless otherwise specified in paragraph (d), a child must be assessed at the basic
52.19 level, level B, or one of ten supplemental difficulty of care levels, levels C to L.

52.20 (d) An assessment must not be completed for:

52.21 (1) a child eligible for guardianship assistance under section 256N.22 or adoption
52.22 assistance under section 256N.23 who is determined to be an at-risk child. A child under
52.23 this clause must be assigned level A under section 256N.26, subdivision 1; and

52.24 (2) a child transitioning into Northstar Care for Children under section 256N.28,
52.25 subdivision 7, unless the commissioner determines an assessment is appropriate.

52.26 Subd. 2. **Establishment of assessment tool, process, and requirements.** Consistent
52.27 with sections 256N.001 to 256N.28, the commissioner shall establish an assessment tool
52.28 to determine the basic and supplemental difficulty of care, and shall establish the process
52.29 to be followed and other requirements, including appropriate documentation, when
52.30 conducting the initial assessment of a child entering Northstar Care for Children or when
52.31 the special assessment and reassessments may be needed for children continuing in the
52.32 program. The assessment tool must take into consideration the strengths and needs of the
52.33 child and the extra parenting provided by the caregiver to meet the child's needs.

- 53.1 Subd. 3. Child care allowance portion of assessment. (a) The assessment tool
53.2 established under subdivision 2 must include consideration of the caregiver's need for
53.3 child care under this subdivision, with greater consideration for children of younger ages.
- 53.4 (b) The child's assessment must include consideration of the caregiver's need for
53.5 child care if the following criteria are met:
- 53.6 (1) the child is under age 13;
53.7 (2) all available adult caregivers are employed or attending educational or vocational
53.8 training programs;
53.9 (3) the caregiver does not receive child care assistance for the child under chapter
53.10 119B.
- 53.11 (c) For children younger than seven years of age, the level determined by the
53.12 non-child care portions of the assessment must be adjusted based on the average number
53.13 of hours child care is needed each week due to employment or attending a training or
53.14 educational program as follows:
- 53.15 (1) fewer than ten hours or if the caregiver is participating in the child care assistance
53.16 program under chapter 119B, no adjustment;
53.17 (2) ten to 19 hours or if needed during school summer vacation or equivalent only,
53.18 increase one level;
53.19 (3) 20 to 29 hours, increase two levels;
53.20 (4) 30 to 39 hours, increase three levels; and
53.21 (5) 40 or more hours, increase four levels.
- 53.22 (d) For children at least seven years of age but younger than 13, the level determined
53.23 by the non-child care portions of the assessment must be adjusted based on the average
53.24 number of hours child care is needed each week due to employment or attending a training
53.25 or educational program as follows:
- 53.26 (1) fewer than 20 hours, needed during school summer vacation or equivalent only,
53.27 or if the caregiver is participating in the child care assistance program under chapter
53.28 119B, no adjustment;
53.29 (2) 20 to 39 hours, increase one level; and
53.30 (3) 40 or more hours, increase two levels.
- 53.31 (e) When the child attains the age of seven, the child care allowance must be reduced
53.32 by reducing the level to that available under paragraph (d). For children in foster care,
53.33 benefits under section 256N.26 must be automatically reduced when the child turns seven.
53.34 For children who receive guardianship assistance or adoption assistance, agreements must
53.35 include similar provisions to ensure that the benefit provided to these children does not
53.36 exceed the benefit provided to children in foster care.

54.1 (f) When the child attains the age of 13, the child care allowance must be eliminated
54.2 by reducing the level to that available prior to any consideration of the caregiver's need
54.3 for child care. For children in foster care, benefits under section 256N.26 must be
54.4 automatically reduced when the child attains the age of 13. For children who receive
54.5 guardianship assistance or adoption assistance, agreements must include similar provisions
54.6 to ensure that the benefit provided to these children does not exceed the benefit provided
54.7 to children in foster care.

54.8 (g) The child care allowance under this subdivision is not available to caregivers
54.9 who receive the child care assistance under chapter 119B. A caregiver receiving a child
54.10 care allowance under this subdivision must notify the commissioner if the caregiver
54.11 subsequently receives the child care assistance program under chapter 119B, and the
54.12 level must be reduced to that available prior to any consideration of the caregiver's need
54.13 for child care.

54.14 (h) In establishing the assessment tool under subdivision 2, the commissioner must
54.15 design the tool so that the levels applicable to the non-child care portions of the assessment
54.16 at a given age accommodate the requirements of this subdivision.

54.17 Subd. 4. **Timing of initial assessment.** For a child entering Northstar Care for
54.18 Children under section 256N.21, the initial assessment must be completed within 30
54.19 days after the child is placed in foster care.

54.20 Subd. 5. **Completion of initial assessment.** (a) The assessment must be completed
54.21 in consultation with the child's caregiver. Face-to-face contact with the caregiver is not
54.22 required to complete the assessment.

54.23 (b) Initial assessments are completed for foster children, eligible under section
54.24 256N.21.

54.25 (c) The initial assessment must be completed by the financially responsible agency,
54.26 in consultation with the legally responsible agency if different, within 30 days of the
54.27 child's placement in foster care.

54.28 (d) If the foster parent is unable or unwilling to cooperate with the assessment process,
54.29 the child shall be assigned the basic level, level B under section 256N.26, subdivision 3.

54.30 (e) Notice to the foster parent shall be provided as specified in subdivision 12.

54.31 Subd. 6. **Timing of special assessment.** (a) A special assessment is required as part
54.32 of the negotiation of the guardianship assistance agreement under section 256N.22 if:

54.33 (1) the child was not placed in foster care with the prospective relative custodian
54.34 or custodians prior to the negotiation of the guardianship assistance agreement under
54.35 section 256N.25; or

54.36 (2) any requirement for reassessment under subdivision 8 is met.

55.1 (b) A special assessment is required as part of the negotiation of the adoption
55.2 assistance agreement under section 256N.23 if:

55.3 (1) the child was not placed in foster care with the prospective adoptive parent
55.4 or parents prior to the negotiation of the adoption assistance agreement under section
55.5 256N.25; or

55.6 (2) any requirement for reassessment under subdivision 8 is met.

55.7 (c) A special assessment is required when a child transitions from a pre-Northstar
55.8 Care for Children program into Northstar Care for Children if the commissioner
55.9 determines that a special assessment is appropriate instead of assigning the transition child
55.10 to a level under section 256N.28.

55.11 (d) The special assessment must be completed prior to the establishment of a
55.12 guardianship assistance or adoption assistance agreement on behalf of the child.

55.13 Subd. 7. **Completing the special assessment.** (a) The special assessment must
55.14 be completed in consultation with the child's caregiver. Face-to-face contact with the
55.15 caregiver is not required to complete the special assessment.

55.16 (b) If a new special assessment is required prior to the effective date of the
55.17 guardianship assistance agreement, it must be completed by the financially responsible
55.18 agency, in consultation with the legally responsible agency if different. If the prospective
55.19 relative custodian is unable or unwilling to cooperate with the special assessment process,
55.20 the child shall be assigned the basic level, level B under section 256N.26, subdivision 3,
55.21 unless the child is known to be an at-risk child, in which case, the child shall be assigned
55.22 level A under section 256N.26, subdivision 1.

55.23 (c) If a special assessment is required prior to the effective date of the adoption
55.24 assistance agreement, it must be completed by the financially responsible agency, in
55.25 consultation with the legally responsible agency if different. If there is no financially
55.26 responsible agency, the special assessment must be completed by the agency designated by
55.27 the commissioner. If the prospective adoptive parent is unable or unwilling to cooperate
55.28 with the special assessment process, the child must be assigned the basic level, level B
55.29 under section 256N.26, subdivision 3, unless the child is known to be an at-risk child, in
55.30 which case, the child shall be assigned level A under section 256N.26, subdivision 1.

55.31 (d) Notice to the prospective relative custodians or prospective adoptive parents
55.32 must be provided as specified in subdivision 12.

55.33 Subd. 8. **Timing of and requests for reassessments.** Reassessments for an eligible
55.34 child must be completed within 30 days of any of the following events:

55.35 (1) for a child in continuous foster care, when six months have elapsed since
55.36 completion of the last assessment;

- 56.1 (2) for a child in continuous foster care, change of placement location;
56.2 (3) for a child in foster care, at the request of the financially responsible agency or
56.3 legally responsible agency;
56.4 (4) at the request of the commissioner; or
56.5 (5) at the request of the caregiver under subdivision 9.

56.6 Subd. 9. **Caregiver requests for reassessments.** (a) A caregiver may initiate
56.7 a reassessment request for an eligible child in writing to the financially responsible
56.8 agency or, if there is no financially responsible agency, the agency designated by the
56.9 commissioner. The written request must include the reason for the request and the
56.10 name, address, and contact information of the caregivers. For an eligible child with a
56.11 guardianship assistance or adoption assistance agreement, the caregiver may request a
56.12 reassessment if at least six months have elapsed since any previously requested review.
56.13 For an eligible foster child, a foster parent may request reassessment in less than six
56.14 months with written documentation that there have been significant changes in the child's
56.15 needs that necessitate an earlier reassessment.

56.16 (b) A caregiver may request a reassessment of an at-risk child for whom a
56.17 guardianship assistance or adoption assistance agreement has been executed if the
56.18 caregiver has satisfied the commissioner with written documentation from a qualified
56.19 expert that the potential disability upon which eligibility for the agreement was based has
56.20 manifested itself, consistent with section 256N.25, subdivision 3, paragraph (b).

56.21 (c) If the reassessment cannot be completed within 30 days of the caregiver's request,
56.22 the agency responsible for reassessment must notify the caregiver of the reason for the
56.23 delay and a reasonable estimate of when the reassessment can be completed.

56.24 Subd. 10. **Completion of reassessment.** (a) The reassessment must be completed
56.25 in consultation with the child's caregiver. Face-to-face contact with the caregiver is not
56.26 required to complete the reassessment.

56.27 (b) For foster children eligible under section 256N.21, reassessments must be
56.28 completed by the financially responsible agency, in consultation with the legally
56.29 responsible agency if different.

56.30 (c) If reassessment is required after the effective date of the guardianship assistance
56.31 agreement, the reassessment must be completed by the financially responsible agency.

56.32 (d) If a reassessment is required after the effective date of the adoption assistance
56.33 agreement, it must be completed by the financially responsible agency or, if there is no
56.34 financially responsible agency, the agency designated by the commissioner.

56.35 (e) If the child's caregiver is unable or unwilling to cooperate with the reassessment,
56.36 the child must be assessed at level B under section 256N.26, subdivision 3, unless the

57.1 child has an adoption assistance or guardianship assistance agreement in place and is
57.2 known to be an at-risk child, in which case the child must be assessed at level A under
57.3 section 256N.26, subdivision 1.

57.4 Subd. 11. **Approval of initial assessments, special assessments, and**
57.5 **reassessments.** (a) Any agency completing initial assessments, special assessments, or
57.6 reassessments must designate one or more supervisors or other staff to examine and approve
57.7 assessments completed by others in the agency under subdivision 2. The person approving
57.8 an assessment must not be the case manager or staff member completing that assessment.

57.9 (b) In cases where a special assessment or reassessment for guardian assistance
57.10 and adoption assistance is required under subdivision 7 or 10, the commissioner shall
57.11 review and approve the assessment as part of the eligibility determination process outlined
57.12 in section 256N.22, subdivision 7, for guardianship assistance, or section 256N.23,
57.13 subdivision 7, for adoption assistance. The assessment determines the maximum for the
57.14 negotiated agreement amount under section 256N.25.

57.15 (c) The new rate is effective the calendar month that the assessment is approved,
57.16 or the effective date of the agreement, whichever is later.

57.17 Subd. 12. **Notice for caregiver.** (a) The agency as defined in subdivision 5 or 10
57.18 that is responsible for completing the initial assessment or reassessment must provide the
57.19 child's caregiver with written notice of the initial assessment or reassessment.

57.20 (b) Initial assessment notices must be sent within 15 days of completion of the initial
57.21 assessment and must minimally include the following:

57.22 (1) a summary of the child's completed individual assessment used to determine the
57.23 initial rating;

57.24 (2) statement of rating and benefit level;

57.25 (3) statement of the circumstances under which the agency must reassess the child;

57.26 (4) procedure to seek reassessment;

57.27 (5) notice that the caregiver has the right to a fair hearing review of the assessment
57.28 and how to request a fair hearing, consistent with section 256.045, subdivision 3; and

57.29 (6) the name, telephone number, and e-mail, if available, of a contact person at the
57.30 agency completing the assessment.

57.31 (c) Reassessment notices must be sent within 15 days after the completion of the
57.32 reassessment and must minimally include the following:

57.33 (1) a summary of the child's individual assessment used to determine the new rating;

57.34 (2) any change in rating and its effective date;

57.35 (3) procedure to seek reassessment;

58.1 (4) notice that if a change in rating results in a reduction of benefits, the caregiver
58.2 has the right to a fair hearing review of the assessment and how to request a fair hearing
58.3 consistent with section 256.045, subdivision 3;

58.4 (5) notice that a caregiver who requests a fair hearing of the reassessed rating within
58.5 ten days may continue at the current rate pending the hearing, but the agency may recover
58.6 any overpayment; and

58.7 (6) name, telephone number, and e-mail, if available, of a contact person at the
58.8 agency completing the reassessment.

58.9 (d) Notice is not required for special assessments since the notice is part of the
58.10 guardianship assistance or adoption assistance negotiated agreement completed according
58.11 to section 256N.25.

58.12 Subd. 13. **Assessment tool determines rate of benefits.** The assessment tool
58.13 established by the commissioner in subdivision 2 determines the monthly benefit level
58.14 for children in foster care. The monthly payment for guardian assistance or adoption
58.15 assistance may be negotiated up to the monthly benefit level under foster care for those
58.16 children eligible for a payment under section 256N.26, subdivision 1.

58.17 Sec. 42. **[256N.25] AGREEMENTS.**

58.18 Subdivision 1. **Agreement; guardianship assistance; adoption assistance.** (a)
58.19 In order to receive guardianship assistance or adoption assistance benefits on behalf of
58.20 an eligible child, a written, binding agreement between the caregiver or caregivers, the
58.21 financially responsible agency, or, if there is no financially responsible agency, the agency
58.22 designated by the commissioner, and the commissioner must be established prior to
58.23 finalization of the adoption or a transfer of permanent legal and physical custody. The
58.24 agreement must be negotiated with the caregiver or caregivers under subdivision 2.

58.25 (b) The agreement must be on a form approved by the commissioner and must
58.26 specify the following:

58.27 (1) duration of the agreement;

58.28 (2) the nature and amount of any payment, services, and assistance to be provided
58.29 under such agreement;

58.30 (3) the child's eligibility for Medicaid services;

58.31 (4) the terms of the payment, including any child care portion as specified in section
58.32 256N.24, subdivision 3;

58.33 (5) eligibility for reimbursement of nonrecurring expenses associated with adopting
58.34 or obtaining permanent legal and physical custody of the child, to the extent that the
58.35 total cost does not exceed \$2,000 per child;

59.1 (6) that the agreement must remain in effect regardless of the state of which the
59.2 adoptive parents or relative custodians are residents at any given time;

59.3 (7) provisions for modification of the terms of the agreement, including renegotiation
59.4 of the agreement; and

59.5 (8) the effective date of the agreement.

59.6 (c) The caregivers, the commissioner, and the financially responsible agency, or, if
59.7 there is no financially responsible agency, the agency designated by the commissioner, must
59.8 sign the agreement. A copy of the signed agreement must be given to each party. Once
59.9 signed by all parties, the commissioner shall maintain the official record of the agreement.

59.10 (d) The effective date of the guardianship assistance agreement must be the date of the
59.11 court order that transfers permanent legal and physical custody to the relative. The effective
59.12 date of the adoption assistance agreement is the date of the finalized adoption decree.

59.13 (e) Termination or disruption of the preadoptive placement or the foster care
59.14 placement prior to assignment of custody makes the agreement with that caregiver void.

59.15 Subd. 2. **Negotiation of agreement.** (a) When a child is determined to be eligible
59.16 for guardianship assistance or adoption assistance, the financially responsible agency, or,
59.17 if there is no financially responsible agency, the agency designated by the commissioner,
59.18 must negotiate with the caregiver to develop an agreement under subdivision 1. If and when
59.19 the caregiver and agency reach concurrence as to the terms of the agreement, both parties
59.20 shall sign the agreement. The agency must submit the agreement, along with the eligibility
59.21 determination outlined in sections 256N.22, subdivision 7, and 256N.23, subdivision 7, to
59.22 the commissioner for final review, approval, and signature according to subdivision 1.

59.23 (b) A monthly payment is provided as part of the adoption assistance or guardianship
59.24 assistance agreement to support the care of children unless the child is determined to be an
59.25 at-risk child, in which case the special at-risk monthly payment under section 256N.26,
59.26 subdivision 7, must be made until the caregiver obtains written documentation from a
59.27 qualified expert that the potential disability upon which eligibility for the agreement
59.28 was based has manifested itself.

59.29 (1) The amount of the payment made on behalf of a child eligible for guardianship
59.30 assistance or adoption assistance is determined through agreement between the prospective
59.31 relative custodian or the adoptive parent and the financially responsible agency, or, if there
59.32 is no financially responsible agency, the agency designated by the commissioner, using
59.33 the assessment tool established by the commissioner in section 256N.24, subdivision 2,
59.34 and the associated benefit and payments outlined in section 256N.26. Except as provided
59.35 under section 256N.24, subdivision 1, paragraph (c), the assessment tool establishes
59.36 the monthly benefit level for a child under foster care. The monthly payment under a

60.1 guardianship assistance agreement or adoption assistance agreement may be negotiated up
60.2 to the monthly benefit level under foster care. In no case may the amount of the payment
60.3 under a guardianship assistance agreement or adoption assistance agreement exceed the
60.4 foster care maintenance payment which would have been paid during the month if the
60.5 child with respect to whom the guardianship assistance or adoption assistance payment is
60.6 made had been in a foster family home in the state.

60.7 (2) The rate schedule for the agreement is determined based on the age of the
60.8 child on the date that the prospective adoptive parent or parents or relative custodian or
60.9 custodians sign the agreement.

60.10 (3) The income of the relative custodian or custodians or adoptive parent or parents
60.11 must not be taken into consideration when determining eligibility for guardianship
60.12 assistance or adoption assistance or the amount of the payments under section 256N.26.

60.13 (4) With the concurrence of the relative custodian or adoptive parent, the amount of
60.14 the payment may be adjusted periodically using the assessment tool established by the
60.15 commissioner in section 256N.24, subdivision 2, and the agreement renegotiated under
60.16 subdivision 3 when there is a change in the child's needs or the family's circumstances.

60.17 (5) The guardianship assistance or adoption assistance agreement of a child who is
60.18 identified as at-risk receives the special at-risk monthly payment under section 256N.26,
60.19 subdivision 7, unless and until the potential disability manifests itself, as documented by
60.20 an appropriate professional, and the commissioner authorizes commencement of payment
60.21 by modifying the agreement accordingly. A relative custodian or adoptive parent of an
60.22 at-risk child with a guardianship assistance or adoption assistance agreement may request
60.23 a reassessment of the child under section 256N.24, subdivision 9, and renegotiation of
60.24 the guardianship assistance or adoption assistance agreement under subdivision 3 to
60.25 include a monthly payment, if the caregiver has written documentation from a qualified
60.26 expert that the potential disability upon which eligibility for the agreement was based has
60.27 manifested itself. Documentation of the disability must be limited to evidence deemed
60.28 appropriate by the commissioner.

60.29 (c) For guardianship assistance agreements:

60.30 (1) the initial amount of the monthly guardianship assistance payment must be
60.31 equivalent to the foster care rate in effect at the time that the agreement is signed less any
60.32 offsets under section 256N.26, subdivision 11, or a lesser negotiated amount if agreed to
60.33 by the prospective relative custodian and specified in that agreement, unless the child is
60.34 identified as at-risk or the guardianship assistance agreement is entered into when a child
60.35 is under the age of six;

61.1 (2) an at-risk child must be assigned level A as outlined in section 256N.26 and
61.2 receive the special at-risk monthly payment under section 256N.26, subdivision 7, unless
61.3 and until the potential disability manifests itself, as documented by a qualified expert and
61.4 the commissioner authorizes commencement of payment by modifying the agreement
61.5 accordingly; and

61.6 (3) the amount of the monthly payment for a guardianship assistance agreement for
61.7 a child, other than an at-risk child, who is under the age of six must be as specified in
61.8 section 256N.26, subdivision 5.

61.9 (d) For adoption assistance agreements:

61.10 (1) for a child in foster care with the prospective adoptive parent immediately prior
61.11 to adoptive placement, the initial amount of the monthly adoption assistance payment
61.12 must be equivalent to the foster care rate in effect at the time that the agreement is signed
61.13 less any offsets in section 256N.26, subdivision 11, or a lesser negotiated amount if agreed
61.14 to by the prospective adoptive parents and specified in that agreement, unless the child is
61.15 identified as at-risk or the adoption assistance agreement is entered into when a child is
61.16 under the age of six;

61.17 (2) an at-risk child must be assigned level A as outlined in section 256N.26 and
61.18 receive the special at-risk monthly payment under section 256N.26, subdivision 7, unless
61.19 and until the potential disability manifests itself, as documented by an appropriate
61.20 professional and the commissioner authorizes commencement of payment by modifying
61.21 the agreement accordingly;

61.22 (3) the amount of the monthly payment for an adoption assistance agreement for
61.23 a child under the age of six, other than an at-risk child, must be as specified in section
61.24 256N.26, subdivision 5;

61.25 (4) for a child who is in the guardianship assistance program immediately prior
61.26 to adoptive placement, the initial amount of the adoption assistance payment must be
61.27 equivalent to the guardianship assistance payment in effect at the time that the adoption
61.28 assistance agreement is signed or a lesser amount if agreed to by the prospective adoptive
61.29 parent and specified in that agreement; and

61.30 (5) for a child who is not in foster care placement or the guardianship assistance
61.31 program immediately prior to adoptive placement or negotiation of the adoption assistance
61.32 agreement, the initial amount of the adoption assistance agreement must be determined
61.33 using the assessment tool and process in this section and the corresponding payment
61.34 amount outlined in section 256N.26.

61.35 Subd. 3. **Renegotiation of agreement.** (a) A relative custodian or adoptive parent
61.36 of a child with a guardianship assistance or adoption assistance agreement may request

62.1 renegotiation of the agreement when there is a change in the needs of the child or in the
 62.2 family's circumstances. When a relative custodian or adoptive parent requests renegotiation
 62.3 of the agreement, a reassessment of the child must be completed consistent with section
 62.4 256N.24, subdivisions 9 and 10. If the reassessment indicates that the child's level has
 62.5 changed, the financially responsible agency, or, if there is no financially responsible
 62.6 agency, the agency designated by the commissioner or a designee and the caregiver must
 62.7 renegotiate the agreement to include a payment with the level determined through the
 62.8 reassessment process. The agreement must not be renegotiated unless the commissioner,
 62.9 the financially responsible agency, and the caregiver mutually agree to the changes. The
 62.10 effective date of any renegotiated agreement must be determined by the commissioner.

62.11 (b) A relative custodian or adoptive parent of an at-risk child with a guardianship
 62.12 assistance or adoption assistance agreement may request renegotiation of the agreement to
 62.13 include a monthly payment higher than the special at-risk monthly payment under section
 62.14 256N.26, subdivision 7, if the caregiver has written documentation from a qualified
 62.15 expert that the potential disability upon which eligibility for the agreement was based has
 62.16 manifested itself. Documentation of the disability must be limited to evidence deemed
 62.17 appropriate by the commissioner. Prior to renegotiating the agreement, a reassessment
 62.18 of the child must be conducted as outlined in section 256N.24, subdivision 9. The
 62.19 reassessment must be used to renegotiate the agreement to include an appropriate monthly
 62.20 payment. The agreement must not be renegotiated unless the commissioner, the financially
 62.21 responsible agency, and the caregiver mutually agree to the changes. The effective date of
 62.22 any renegotiated agreement must be determined by the commissioner.

62.23 (c) Renegotiation of a guardianship assistance or adoption assistance agreement is
 62.24 required when one of the circumstances outlined in section 256N.26, subdivision 13,
 62.25 occurs.

62.26 **Sec. 43. [256N.26] BENEFITS AND PAYMENTS.**

62.27 Subdivision 1. **Benefits.** (a) There are three benefits under Northstar Care for
 62.28 Children: medical assistance, basic payment, and supplemental difficulty of care payment.

62.29 (b) A child is eligible for medical assistance under subdivision 2.

62.30 (c) A child is eligible for the basic payment under subdivision 3, except for a child
 62.31 assigned level A under section 256N.24, subdivision 1, because the child is determined to
 62.32 be an at-risk child receiving guardianship assistance or adoption assistance.

62.33 (d) A child, including a foster child age 18 to 21, is eligible for an additional
 62.34 supplemental difficulty of care payment under subdivision 4, as determined by the
 62.35 assessment under section 256N.24.

63.1 (e) An eligible child entering guardianship assistance or adoption assistance under
 63.2 the age of six receives a basic payment and supplemental difficulty of care payment as
 63.3 specified in subdivision 5.

63.4 (f) A child transitioning in from a pre-Northstar Care for Children program under
 63.5 section 256N.28, subdivision 7, shall receive basic and difficulty of care supplemental
 63.6 payments according to those provisions.

63.7 Subd. 2. **Medical assistance.** Eligibility for medical assistance under this chapter
 63.8 must be determined according to section 256B.055.

63.9 Subd. 3. **Basic monthly rate.** From January 1, 2015, to June 30, 2016, the basic
 63.10 monthly rate must be according to the following schedule:

| | | |
|-------|--------------------------|------------------------|
| 63.11 | <u>Ages 0-5</u> | <u>\$565 per month</u> |
| 63.12 | <u>Ages 6-12</u> | <u>\$670 per month</u> |
| 63.13 | <u>Ages 13 and older</u> | <u>\$790 per month</u> |

63.14 Subd. 4. **Difficulty of care supplemental monthly rate.** From January 1, 2015,
 63.15 to June 30, 2016, the supplemental difficulty of care monthly rate is determined by the
 63.16 following schedule:

| | | |
|-------|----------------|---|
| 63.17 | <u>Level A</u> | <u>none (special rate under subdivision 7</u> |
| 63.18 | | <u>applies)</u> |
| 63.19 | <u>Level B</u> | <u>none (basic under subdivision 3 only)</u> |
| 63.20 | <u>Level C</u> | <u>\$100 per month</u> |
| 63.21 | <u>Level D</u> | <u>\$200 per month</u> |
| 63.22 | <u>Level E</u> | <u>\$300 per month</u> |
| 63.23 | <u>Level F</u> | <u>\$400 per month</u> |
| 63.24 | <u>Level G</u> | <u>\$500 per month</u> |
| 63.25 | <u>Level H</u> | <u>\$600 per month</u> |
| 63.26 | <u>Level I</u> | <u>\$700 per month</u> |
| 63.27 | <u>Level J</u> | <u>\$800 per month</u> |
| 63.28 | <u>Level K</u> | <u>\$900 per month</u> |
| 63.29 | <u>Level L</u> | <u>\$1,000 per month</u> |

63.30 A child assigned level A is not eligible for either the basic or supplemental difficulty
 63.31 of care payment, while a child assigned level B is not eligible for the supplemental
 63.32 difficulty of care payment but is eligible for the basic monthly rate under subdivision 3.

63.33 Subd. 5. **Alternate rates for preschool entry and certain transitioned children.**

63.34 A child who entered the guardianship assistance or adoption assistance components
 63.35 of Northstar Care for Children while under the age of six shall receive 50 percent of
 63.36 the amount the child would otherwise be entitled to under subdivisions 3 and 4. The
 63.37 commissioner may also use the 50 percent rate for a child who was transitioned into those
 63.38 components through declaration of the commissioner under section 256N.28, subdivision 7.

64.1 Subd. 6. **Emergency foster care rate for initial placement.** (a) A child who enters
64.2 foster care due to immediate custody by a police officer or court order, consistent with
64.3 section 260C.175, subdivisions 1 and 2, or equivalent provision under tribal code, shall
64.4 receive the emergency foster care rate for up to 30 days. The emergency foster care rate
64.5 cannot be extended beyond 30 days of the child's placement.

64.6 (b) For this payment rate to be applied, at least one of three conditions must apply:

64.7 (1) the child's initial placement must be in foster care in Minnesota;

64.8 (2) the child's previous placement was more than two years ago; or

64.9 (3) the child's previous placement was for fewer than 30 days and an assessment
64.10 under section 256N.24 was not completed by an agency under section 256N.24.

64.11 (c) The emergency foster care rate consists of the appropriate basic monthly rate
64.12 under subdivision 3 plus a difficulty of care supplemental monthly rate of level D under
64.13 subdivision 4.

64.14 (d) The emergency foster care rate ends under any of three conditions:

64.15 (1) when an assessment under section 256N.24 is completed;

64.16 (2) when the placement ends; or

64.17 (3) after 30 days have elapsed.

64.18 (e) The financially responsible agency, in consultation with the legally responsible
64.19 agency, if different, may replace the emergency foster care rate at any time by completing
64.20 an initial assessment on which a revised difficulty of care supplemental monthly rate
64.21 would be based. Consistent with section 256N.24, subdivision 9, the caregiver may
64.22 request a reassessment in writing for an initial assessment to replace the emergency foster
64.23 care rate. This written request would initiate an initial assessment under section 256N.24,
64.24 subdivision 5. If the revised difficulty of care supplemental level based on the initial
64.25 assessment is higher than Level D, then the revised higher rate shall apply retroactively to
64.26 the beginning of the placement. If the revised level is lower, the lower rate shall apply on
64.27 the date the initial assessment was completed.

64.28 (f) If a child remains in foster care placement for more than 30 days, the emergency
64.29 foster care rate ends after the 30th day of placement and an assessment under section
64.30 256N.26 must be completed.

64.31 Subd. 7. **Special at-risk monthly payment for at-risk children in guardianship**
64.32 **assistance and adoption assistance.** A child eligible for guardianship assistance under
64.33 section 256N.22 or adoption assistance under section 256N.23 who is determined to be
64.34 an at-risk child shall receive a special at-risk monthly payment of \$1 per month basic,
64.35 unless and until the potential disability manifests itself and the agreement is renegotiated
64.36 to include reimbursement. Such an at-risk child shall receive neither a supplemental

65.1 difficulty of care monthly rate under subdivision 4 nor home and vehicle modifications
65.2 under subdivision 10, but must be considered for medical assistance under subdivision 2.

65.3 Subd. 8. **Daily rates.** (a) The commissioner shall establish prorated daily rates to
65.4 the nearest cent for the monthly rates under subdivisions 3 to 7. Daily rates must be
65.5 routinely used when a partial month is involved for foster care, guardianship assistance, or
65.6 adoption assistance.

65.7 (b) A full month payment is permitted if a foster child is temporarily absent from
65.8 the foster home if the brief absence does not exceed 14 days and the child's placement
65.9 continues with the same caregiver.

65.10 Subd. 9. **Revision.** By April 1, 2016, for fiscal year 2017, and by each succeeding
65.11 April 1 for the subsequent fiscal year, the commissioner shall review and revise the rates
65.12 under subdivisions 3 to 7 based on the United States Department of Agriculture, Estimates
65.13 of the Cost of Raising a Child, published by the United States Department of Agriculture,
65.14 Agricultural Resources Service, Publication 1411. The revision shall be the average
65.15 percentage by which costs increase for the age ranges represented in the United States
65.16 Department of Agriculture, Estimates of the Cost of Raising a Child, except that in no
65.17 instance must the increase be more than three percent per annum. The monthly rates must
65.18 be revised to the nearest dollar and the daily rates to the nearest cent.

65.19 Subd. 10. **Home and vehicle modifications.** (a) Except for a child assigned level A
65.20 under section 256N.24, subdivision 1, paragraph (b), clause (1), a child who is eligible
65.21 for an adoption assistance agreement may have reimbursement of home and vehicle
65.22 modifications necessary to accommodate the child's special needs upon which eligibility
65.23 for adoption assistance was based and included as part of the negotiation of the agreement
65.24 under section 256N.25, subdivision 2. Reimbursement of home and vehicle modifications
65.25 must not be available for a child who is assessed at level A under subdivision 1, unless
65.26 and until the potential disability manifests itself and the agreement is renegotiated to
65.27 include reimbursement.

65.28 (b) Application for and reimbursement of modifications must be completed
65.29 according to a process specified by the commissioner. The type and cost of each
65.30 modification must be preapproved by the commissioner. The type of home and vehicle
65.31 modifications must be limited to those specified by the commissioner.

65.32 (c) Reimbursement for home modifications as outlined in this subdivision is limited
65.33 to once every five years per child. Reimbursement for vehicle modifications as outlined in
65.34 this subdivision is limited to once every five years per family.

65.35 Subd. 11. **Child income or income attributable to the child.** (a) A monthly
65.36 guardianship assistance or adoption assistance payment must be considered as income

66.1 and resource attributable to the child. Guardianship assistance and adoption assistance
66.2 are exempt from garnishment, except as permissible under the laws of the state where the
66.3 child resides.

66.4 (b) When a child is placed into foster care, any income and resources attributable
66.5 to the child are treated as provided in sections 252.27 and 260C.331, or 260B.331, as
66.6 applicable to the child being placed.

66.7 (c) Consideration of income and resources attributable to the child must be part of
66.8 the negotiation process outlined in section 256N.25, subdivision 2. In some circumstances,
66.9 the receipt of other income on behalf of the child may impact the amount of the monthly
66.10 payment received by the relative custodian or adoptive parent on behalf of the child
66.11 through Northstar Care for Children. Supplemental Security Income (SSI), retirement
66.12 survivor's disability insurance (RSDI), veteran's benefits, railroad retirement benefits, and
66.13 black lung benefits are considered income and resources attributable to the child.

66.14 Subd. 12. **Treatment of Supplemental Security Income.** If a child placed in foster
66.15 care receives benefits through Supplemental Security Income (SSI) at the time of foster
66.16 care placement or subsequent to placement in foster care, the financially responsible
66.17 agency may apply to be the payee for the child for the duration of the child's placement in
66.18 foster care. If a child continues to be eligible for SSI after finalization of the adoption or
66.19 transfer of permanent legal and physical custody and is determined to be eligible for a
66.20 payment under Northstar Care for Children, a permanent caregiver may choose to receive
66.21 payment from both programs simultaneously. The permanent caregiver is responsible
66.22 to report the amount of the payment to the Social Security Administration and the SSI
66.23 payment will be reduced as required by Social Security.

66.24 Subd. 13. **Treatment of retirement survivor's disability insurance, veteran's**
66.25 **benefits, railroad retirement benefits, and black lung benefits.** (a) If a child placed
66.26 in foster care receives retirement survivor's disability insurance, veteran's benefits,
66.27 railroad retirement benefits, or black lung benefits at the time of foster care placement or
66.28 subsequent to placement in foster care, the financially responsible agency may apply to
66.29 be the payee for the child for the duration of the child's placement in foster care. If it is
66.30 anticipated that a child will be eligible to receive retirement survivor's disability insurance,
66.31 veteran's benefits, railroad retirement benefits, or black lung benefits after finalization
66.32 of the adoption or assignment of permanent legal and physical custody, the permanent
66.33 caregiver shall apply to be the payee of those benefits on the child's behalf. The monthly
66.34 amount of the other benefits must be considered an offset to the amount of the payment
66.35 the child is determined eligible for under Northstar Care for Children.

67.1 (b) If a child becomes eligible for retirement survivor's disability insurance, veteran's
67.2 benefits, railroad retirement benefits, or black lung benefits, after the initial amount of the
67.3 payment under Northstar Care for Children is finalized, the permanent caregiver shall
67.4 contact the commissioner to redetermine the payment under Northstar Care for Children.
67.5 The monthly amount of the other benefits must be considered an offset to the amount of
67.6 the payment the child is determined eligible for under Northstar Care for Children.

67.7 (c) If a child ceases to be eligible for retirement survivor's disability insurance,
67.8 veteran's benefits, railroad retirement benefits, or black lung benefits after the initial amount
67.9 of the payment under Northstar Care for Children is finalized, the permanent caregiver
67.10 shall contact the commissioner to redetermine the payment under Northstar Care for
67.11 Children. The monthly amount of the payment under Northstar Care for Children must be
67.12 the amount the child was determined to be eligible for prior to consideration of any offset.

67.13 (d) If the monthly payment received on behalf of the child under retirement survivor's
67.14 disability insurance, veteran's benefits, railroad retirement benefits, or black lung benefits
67.15 changes after the adoption assistance or guardianship assistance agreement is finalized,
67.16 the permanent caregiver shall notify the commissioner as to the new monthly payment
67.17 amount, regardless of the amount of the change in payment. If the monthly payment
67.18 changes by \$75 or more, even if the change occurs incrementally over the duration of
67.19 the term of the adoption assistance or guardianship assistance agreement, the monthly
67.20 payment under Northstar Care for Children must be adjusted without further consent
67.21 to reflect the amount of the increase or decrease in the offset amount. Any subsequent
67.22 change to the payment must be reported and handled in the same manner. A change of
67.23 monthly payments of less than \$75 is not a permissible reason to renegotiate the adoption
67.24 assistance or guardianship assistance agreement under section 256N.25, subdivision 3.
67.25 The commissioner shall review and revise the limit at which the adoption assistance or
67.26 guardian assistance agreement must be renegotiated in accordance with subdivision 9.

67.27 Subd. 14. **Treatment of child support and Minnesota family investment**
67.28 **program.** (a) If a child placed in foster care receives child support, the child support
67.29 payment may be redirected to the financially responsible agency for the duration of the
67.30 child's placement in foster care. In cases where the child qualifies for Northstar Care
67.31 for Children by meeting the adoption assistance eligibility criteria or the guardianship
67.32 assistance eligibility criteria, any court ordered child support must not be considered
67.33 income attributable to the child and must have no impact on the monthly payment.

67.34 (b) Consistent with section 256J.24, a child eligible for Northstar Care for Children
67.35 whose caregiver receives a payment on the child's behalf is excluded from a Minnesota
67.36 family investment program assistance unit.

68.1 Subd. 15. **Payments.** (a) Payments to caregivers under Northstar Care for Children
68.2 must be made monthly. Consistent with section 256N.24, subdivision 12, the financially
68.3 responsible agency must send the caregiver the required written notice within 15 days of
68.4 a completed assessment or reassessment.

68.5 (b) Unless paragraph (c) or (d) applies, the financially responsible agency shall pay
68.6 foster parents directly for eligible children in foster care.

68.7 (c) When the legally responsible agency is different than the financially responsible
68.8 agency, the legally responsible agency may make the payments to the caregiver, provided
68.9 payments are made on a timely basis. The financially responsible agency must pay
68.10 the legally responsible agency on a timely basis. Caregivers must have access to the
68.11 financially and legally responsible agencies' records of the transaction, consistent with
68.12 the retention schedule for the payments.

68.13 (d) For eligible children in foster care, the financially responsible agency may pay
68.14 the foster parent's payment for a licensed child-placing agency instead of paying the foster
68.15 parents directly. The licensed child-placing agency must timely pay the foster parents
68.16 and maintain records of the transaction. Caregivers must have access to the financially
68.17 responsible agency's records on the transaction and the child-placing agency's records of
68.18 the transaction, consistent with the retention schedule for the payments.

68.19 Subd. 16. **Effect of benefit on other aid.** Payments received under this section
68.20 must not be considered as income for child care assistance under chapter 119B or any
68.21 other financial benefit. Consistent with section 256J.24, a child receiving a maintenance
68.22 payment under Northstar Care for Children is excluded from any Minnesota family
68.23 investment program assistance unit.

68.24 Subd. 17. **Home and community-based services waiver for persons with**
68.25 **disabilities.** A child in foster care may qualify for home and community-based waived
68.26 services, consistent with section 256B.092 for developmental disabilities, or section
68.27 256B.49 for community alternative care, community alternatives for disabled individuals,
68.28 or traumatic brain injury waivers. A waiver service must not be substituted for the foster
68.29 care program. When the child is simultaneously eligible for waived services and for
68.30 benefits under Northstar Care for Children, the financially responsible agency must
68.31 assess and provide basic and supplemental difficulty of care rates as determined by the
68.32 assessment according to section 256N.24. If it is determined that additional services are
68.33 needed to meet the child's needs in the home that is not or cannot be met by the foster care
68.34 program, the need would be referred to the local waived service program.

68.35 Subd. 18. **Overpayments.** The commissioner has the authority to collect any
68.36 amount of foster care payment, adoption assistance, or guardianship assistance paid

69.1 to a caregiver in excess of the payment due. Payments covered by this subdivision
69.2 include basic maintenance needs payments, supplemental difficulty of care payments, and
69.3 reimbursement of home and vehicle modifications under subdivision 10. Prior to any
69.4 collection, the commissioner or designee shall notify the caregiver in writing, including:

69.5 (1) the amount of the overpayment and an explanation of the cause of overpayment;

69.6 (2) clarification of the corrected amount;

69.7 (3) a statement of the legal authority for the decision;

69.8 (4) information about how the caregiver can correct the overpayment;

69.9 (5) if repayment is required, when the payment is due and a person to contact to

69.10 review a repayment plan;

69.11 (6) a statement that the caregiver has a right to a fair hearing review by the

69.12 department; and

69.13 (7) the procedure for seeking a fair hearing review by the department.

69.14 Subd. 19. **Payee.** For adoption assistance and guardianship assistance cases, the
69.15 payment must only be made to the adoptive parent or relative custodian specified on the
69.16 agreement. If there is more than one adoptive parent or relative custodian, both parties will
69.17 be listed as the payee unless otherwise specified in writing according to policies outlined
69.18 by the commissioner. In the event of divorce or separation of the caregivers, a change of
69.19 payee must be made in writing according to policies outlined by the commissioner. If both
69.20 caregivers are in agreement as to the change, it may be made according to a process outlined
69.21 by the commissioner. If there is not agreement as to the change, a court order indicating
69.22 the party who is to receive the payment is needed before a change can be processed. If the
69.23 change of payee is disputed, the commissioner may withhold the payment until agreement
69.24 is reached. A noncustodial caregiver may request notice in writing of review, modification,
69.25 or termination of the adoption assistance or guardianship assistance agreement. In the
69.26 event of the death of a payee, a change of payee consistent with sections 256N.22 and
69.27 256N.23 may be made in writing according to policies outlined by the commissioner.

69.28 Subd. 20. **Notification of change.** (a) A caregiver who has an adoption assistance
69.29 agreement or guardianship assistance agreement in place shall keep the agency
69.30 administering the program informed of changes in status or circumstances which would
69.31 make the child ineligible for the payments or eligible for payments in a different amount.

69.32 (b) For the duration of the agreement, the caregiver agrees to notify the agency
69.33 administering the program in writing within 30 days of any of the following:

69.34 (1) a change in the child's or caregiver's legal name;

69.35 (2) a change in the family's address;

69.36 (3) a change in the child's legal custody status;

- 70.1 (4) the child's completion of high school, if this occurs after the child attains age 18;
 70.2 (5) the end of the caregiver's legal responsibility to support the child based on
 70.3 termination of parental rights of the caregiver, transfer of guardianship to another person,
 70.4 or transfer of permanent legal and physical custody to another person;
 70.5 (6) the end of the caregiver's financial support of the child;
 70.6 (7) the death of the child;
 70.7 (8) the death of the caregiver;
 70.8 (9) the child enlists in the military;
 70.9 (10) the child gets married;
 70.10 (11) the child becomes an emancipated minor through legal action;
 70.11 (12) the caregiver separates or divorces; and
 70.12 (13) the child is residing outside the caregiver's home for a period of more than
 70.13 30 consecutive days.

70.14 Subd. 21. **Correct and true information.** The caregiver must be investigated for
 70.15 fraud if the caregiver reports information the caregiver knows is untrue, the caregiver
 70.16 fails to notify the commissioner of changes that may affect eligibility, or the agency
 70.17 administering the program receives relevant information that the caregiver did not report.

70.18 Subd. 22. **Termination notice for caregiver.** The agency that issues the
 70.19 maintenance payment shall provide the child's caregiver with written notice of termination
 70.20 of payment. Termination notices must be sent at least 15 days before the final payment or
 70.21 in the case of an unplanned termination, the notice is sent within three days of the end of
 70.22 the payment. The written notice must minimally include the following:

- 70.23 (1) the date payment will end;
 70.24 (2) the reason payments will end and the event that is the basis to terminate payment;
 70.25 (3) a statement that the provider has a right to a fair hearing review by the department
 70.26 consistent with section 256.045, subdivision 3;
 70.27 (4) the procedure to request a fair hearing; and
 70.28 (5) name, telephone number, and email address of a contact person at the agency.

70.29 Sec. 44. **[256N.27] FEDERAL, STATE, AND LOCAL SHARES.**

70.30 Subdivision 1. **Federal share.** For the purposes of determining a child's eligibility
 70.31 under title IV-E of the Social Security Act for a child in foster care, the financially
 70.32 responsible agency shall use the eligibility requirements outlined in section 472 of the
 70.33 Social Security Act. For a child who qualifies for guardianship assistance or adoption
 70.34 assistance, the financially responsible agency and the commissioner shall use the
 70.35 eligibility requirements outlined in section 473 of the Social Security Act. In each case,

71.1 the agency paying the maintenance payments must be reimbursed for the costs from the
71.2 federal money available for this purpose.

71.3 Subd. 2. **State share.** The commissioner shall pay the state share of the maintenance
71.4 payments as determined under subdivision 4, and an identical share of the pre-Northstar
71.5 Care foster care program under section 260C.4411, subdivision 1, the relative custody
71.6 assistance program under section 257.85, and the pre-Northstar Care for Children adoption
71.7 assistance program under chapter 259A. The commissioner may transfer funds into the
71.8 account if a deficit occurs.

71.9 Subd. 3. **Local share.** (a) The financially responsible agency at the time of
71.10 placement for foster care or finalization of the agreement for guardianship assistance or
71.11 adoption assistance shall pay the local share of the maintenance payments as determined
71.12 under subdivision 4, and an identical share of the pre-Northstar Care for Children foster
71.13 care program under section 260C.4411, subdivision 1, the relative custody assistance
71.14 program under section 257.85, and the pre-Northstar Care for Children adoption assistance
71.15 program under chapter 259A.

71.16 (b) The financially responsible agency shall pay the entire cost of any initial clothing
71.17 allowance, administrative payments to child caring agencies specified in section 317A.907,
71.18 or other support services it authorizes, except as provided under other provisions of law.

71.19 (c) In cases of federally required adoption assistance where there is no financially
71.20 responsible agency as provided in section 256N.24, subdivision 5, the commissioner
71.21 shall pay the local share.

71.22 (d) When an Indian child being placed in Minnesota meets title IV-E eligibility
71.23 defined in section 473(d) of the Social Security Act and is receiving guardianship
71.24 assistance or adoption assistance, the agency or entity assuming responsibility for the
71.25 child is responsible for the nonfederal share of the payment.

71.26 Subd. 4. **Nonfederal share.** (a) The commissioner shall establish a percentage share
71.27 of the maintenance payments, reduced by federal reimbursements under title IV-E of the
71.28 Social Security Act, to be paid by the state and to be paid by the financially responsible
71.29 agency.

71.30 (b) These state and local shares must initially be calculated based on the ratio of the
71.31 average appropriate expenditures made by the state and all financially responsible agencies
71.32 during calendar years 2011, 2012, 2013, and 2014. For purposes of this calculation,
71.33 appropriate expenditures for the financially responsible agencies must include basic and
71.34 difficulty of care payments for foster care reduced by federal reimbursements, but not
71.35 including any initial clothing allowance, administrative payments to child care agencies
71.36 specified in section 317A.907, child care, or other support or ancillary expenditures. For

72.1 purposes of this calculation, appropriate expenditures for the state shall include adoption
 72.2 assistance and relative custody assistance, reduced by federal reimbursements.

72.3 (c) For each of the periods January 1, 2015, to June 30, 2016, fiscal years 2017, 2018,
 72.4 and 2019, the commissioner shall adjust this initial percentage of state and local shares to
 72.5 reflect the relative expenditure trends during calendar years 2011, 2012, 2013, and 2014,
 72.6 taking into account appropriations for Northstar Care for Children and the turnover rates
 72.7 of the components. In making these adjustments, the commissioner's goal shall be to make
 72.8 these state and local expenditures other than the appropriations for Northstar Care to be
 72.9 the same as they would have been had Northstar Care not been implemented, or if that
 72.10 is not possible, proportionally higher or lower, as appropriate. The state and local share
 72.11 percentages for fiscal year 2019 must be used for all subsequent years.

72.12 Subd. 5. **Adjustments for proportionate shares among financially responsible**
 72.13 **agencies.** (a) The commissioner shall adjust the expenditures under subdivision 4 by each
 72.14 financially responsible agency so that its relative share is proportional to its foster care
 72.15 expenditures, with the goal of making the local share similar to what the county or tribe
 72.16 would have spent had Northstar Care for Children not been enacted.

72.17 (b) For the period January 1, 2015, to June 30, 2016, the relative shares must be as
 72.18 determined under subdivision 4 for calendar years 2011, 2012, 2013, and 2014 compared
 72.19 with similar costs of all financially responsible agencies.

72.20 (c) For subsequent fiscal years, the commissioner shall update the relative shares
 72.21 based on actual utilization of Northstar Care for Children by the financially responsible
 72.22 agencies during the previous period, so that those using relatively more than they did
 72.23 historically are adjusted upward and those using less are adjusted downward.

72.24 (d) The commissioner must ensure that the adjustments are not unduly influenced by
 72.25 onetime events, anomalies, small changes that appear large compared to a narrow historic
 72.26 base, or fluctuations that are the results of the transfer of responsibilities to tribal social
 72.27 service agencies authorized in section 256.01, subdivision 14b, as part of the American
 72.28 Indian Child Welfare Initiative.

72.29 Sec. 45. **[256N.28] ADMINISTRATION AND APPEALS.**

72.30 Subdivision 1. **Responsibilities.** (a) The financially responsible agency shall
 72.31 determine the eligibility for Northstar Care for Children for children in foster care under
 72.32 section 256N.21, and for those children determined eligible, shall further determine each
 72.33 child's eligibility for title IV-E of the Social Security Act, provided the agency has such
 72.34 authority under the state title IV-E plan.

73.1 (b) Subject to commissioner review and approval, the financially responsible agency
73.2 shall prepare the eligibility determination for Northstar Care for Children for children in
73.3 guardianship assistance under section 256N.22 and children in adoption assistance under
73.4 section 256N.23. The AFDC relatedness determination, when necessary to determine a
73.5 child's eligibility for title IV-E funding, shall be made only by an authorized agency
73.6 according to policies and procedures prescribed by the commissioner.

73.7 (c) The financially responsible agency is responsible for the administration of
73.8 Northstar Care for Children for children in foster care. The agency designated by the
73.9 commissioner is responsible for assisting the commissioner with the administration of
73.10 the Northstar Care for Children for children in guardianship assistance and adoption
73.11 assistance by conducting assessments, reassessments, negotiations, and other activities as
73.12 specified by the commissioner under subdivision 2.

73.13 Subd. 2. **Procedures, requirements, and deadlines.** The commissioner shall
73.14 specify procedures, requirements, and deadlines for the administration of Northstar Care
73.15 for Children in accordance with sections 256N.001 to 256N.28, including for children
73.16 transitioning into Northstar Care for Children under subdivision 7. The commissioner
73.17 shall periodically review all procedures, requirements, and deadlines, including the
73.18 assessment tool and process under section 256N.24, in consultation with counties, tribes,
73.19 and representatives of caregivers, and may alter them as needed.

73.20 Subd. 3. **Administration of title IV-E programs.** The title IV-E foster care,
73.21 guardianship assistance, and adoption assistance programs must operate within the
73.22 statutes, rules, and policies set forth by the federal government in the Social Security Act.

73.23 Subd. 4. **Reporting.** The commissioner shall specify required fiscal and statistical
73.24 reports under section 256.01, subdivision 2, paragraph (q), and other reports as necessary.

73.25 Subd. 5. **Promotion of programs.** Families who adopt a child under the
73.26 commissioner's guardianship must be informed as to the adoption tax credit. The
73.27 commissioner shall actively seek ways to promote the guardianship assistance and
73.28 adoption assistance programs, including informing prospective caregivers of eligible
73.29 children of the availability of guardianship assistance and adoption assistance.

73.30 Subd. 6. **Appeals and fair hearings.** (a) A caregiver has the right to appeal to the
73.31 commissioner under section 256.045 when eligibility for Northstar Care for Children is
73.32 denied, and when payment or the agreement for an eligible child is modified or terminated.

73.33 (b) A relative custodian or adoptive parent has additional rights to appeal to the
73.34 commissioner pursuant to section 256.045. These rights include when the commissioner
73.35 terminates or modifies the guardianship assistance or adoption assistance agreement or
73.36 when the commissioner denies an application for guardianship assistance or adoption

74.1 assistance. A prospective relative custodian or adoptive parent who disagrees with a
74.2 decision by the commissioner before transfer of permanent legal and physical custody or
74.3 finalization of the adoption may request review of the decision by the commissioner or
74.4 may appeal the decision under section 256.045. A guardianship assistance or adoption
74.5 assistance agreement must be signed and in effect before the court order that transfers
74.6 permanent legal and physical custody or the adoption finalization; however in some cases,
74.7 there may be extenuating circumstances as to why an agreement was not entered into
74.8 before finalization of permanency for the child. Caregivers who believe that extenuating
74.9 circumstances exist in the case of their child may request a fair hearing. Caregivers have the
74.10 responsibility of proving that extenuating circumstances exist. Caregivers must be required
74.11 to provide written documentation of each eligibility criterion at the fair hearing. Examples
74.12 of extenuating circumstances include: relevant facts regarding the child were known by
74.13 the placing agency and not presented to the caregivers before transfer of permanent legal
74.14 and physical custody or finalization of the adoption, or failure by the commissioner or a
74.15 designee to advise potential caregivers about the availability of guardianship assistance or
74.16 adoption assistance for children in the state foster care system. If an appeals judge finds
74.17 through the fair hearing process that extenuating circumstances existed and that the child
74.18 met all eligibility criteria at the time the transfer of permanent legal and physical custody
74.19 was ordered or the adoption was finalized, the effective date and any associated federal
74.20 financial participation shall be retroactive from the date of the request for a fair hearing.

74.21 Subd. 7. **Transitions from pre-Northstar Care for Children programs.** (a) A child
74.22 in foster care who remains with the same caregiver shall continue to receive benefits under
74.23 the pre-Northstar Care for Children foster care program under section 256.82. Transitions
74.24 to Northstar Care for Children must occur as provided in section 256N.21, subdivision 6.

74.25 (b) The commissioner may seek to transition into Northstar Care for Children a child
74.26 who is in pre-Northstar Care for Children relative custody assistance under section 257.85
74.27 or pre-Northstar Care for Children adoption assistance under chapter 259A, in accordance
74.28 with these priorities, in order of priority:

74.29 (1) financial and budgetary constraints;

74.30 (2) complying with federal regulations;

74.31 (3) converting pre-Northstar Care for Children relative custody assistance under
74.32 section 257.85 to the guardianship assistance component of Northstar Care for Children;

74.33 (4) improving permanency for a child or children;

74.34 (5) maintaining permanency for a child or children;

74.35 (6) accessing additional federal funds; and

74.36 (7) administrative simplification.

75.1 (c) Transitions shall be accomplished according to procedures, deadlines, and
75.2 requirements specified by the commissioner under subdivision 2.

75.3 (d) The commissioner may accomplish a transition of a child from pre-Northstar
75.4 Care for Children relative custody assistance under section 257.85 to the guardianship
75.5 assistance component of Northstar Care for Children by declaration and appropriate notice
75.6 to the caregiver, provided that the benefit for a child under this paragraph is not reduced.

75.7 (e) The commissioner may offer a transition of a child from pre-Northstar Care for
75.8 Children adoption assistance under chapter 259A to the adoption assistance component
75.9 of Northstar Care for Children by contacting the caregiver with an offer. The transition
75.10 must be accomplished only when the caregiver agrees to the offer. The caregiver shall
75.11 have a maximum of 90 days to review and accept the commissioner's offer. If the
75.12 commissioner's offer is not accepted within 90 days, the pre-Northstar Care for Children
75.13 adoption assistance agreement remains in effect until it terminates or a subsequent offer is
75.14 made by the commissioner.

75.15 (f) For a child transitioning into Northstar Care for Children, the commissioner shall
75.16 assign an equivalent assessment level based on the most recently completed supplemental
75.17 difficulty of care level assessment, unless the commissioner determines that arranging
75.18 for a new assessment under section 256N.24 would be more appropriate based on the
75.19 priorities specified in paragraph (b).

75.20 (g) For a child transitioning into Northstar Care for Children, regardless of the age
75.21 of the child, the commissioner shall use the rates under section 256N.26, subdivision 5,
75.22 unless the rates under section 256N.26, subdivisions 3 and 4, are more appropriate based
75.23 on the priorities specified in paragraph (b), as determined by the commissioner.

75.24 Subd. 8. **Purchase of child-specific adoption services.** The commissioner may
75.25 reimburse the placing agency for appropriate adoption services for children eligible
75.26 under section 259A.75.

75.27 Sec. 46. Minnesota Statutes 2012, section 257.85, subdivision 2, is amended to read:

75.28 Subd. 2. **Scope.** The provisions of this section apply to those situations in which
75.29 the legal and physical custody of a child is established with a relative or important friend
75.30 with whom the child has resided or had significant contact according to section 260C.515,
75.31 subdivision 4, by a district court order issued on or after July 1, 1997, but on or before
75.32 November 26, 2014, or a tribal court order issued on or after July 1, 2005, but on or
75.33 before November 26, 2014, when the child has been removed from the care of the parent
75.34 by previous district or tribal court order.

76.1 Sec. 47. Minnesota Statutes 2012, section 257.85, subdivision 5, is amended to read:

76.2 Subd. 5. **Relative custody assistance agreement.** (a) A relative custody assistance
76.3 agreement will not be effective, unless it is signed by the local agency and the relative
76.4 custodian no later than 30 days after the date of the order establishing permanent legal and
76.5 physical custody, and on or before November 26, 2014, except that a local agency may
76.6 enter into a relative custody assistance agreement with a relative custodian more than 30
76.7 days after the date of the order if it certifies that the delay in entering the agreement was
76.8 through no fault of the relative custodian and the agreement is signed and in effect on or
76.9 before November 26, 2014. There must be a separate agreement for each child for whom
76.10 the relative custodian is receiving relative custody assistance.

76.11 (b) Regardless of when the relative custody assistance agreement is signed by the
76.12 local agency and relative custodian, the effective date of the agreement shall be the date of
76.13 the order establishing permanent legal and physical custody.

76.14 (c) If MFIP is not the applicable program for a child at the time that a relative
76.15 custody assistance agreement is entered on behalf of the child, when MFIP becomes
76.16 the applicable program, if the relative custodian had been receiving custody assistance
76.17 payments calculated based upon a different program, the amount of relative custody
76.18 assistance payment under subdivision 7 shall be recalculated under the Minnesota family
76.19 investment program.

76.20 (d) The relative custody assistance agreement shall be in a form specified by the
76.21 commissioner and shall include provisions relating to the following:

76.22 (1) the responsibilities of all parties to the agreement;

76.23 (2) the payment terms, including the financial circumstances of the relative
76.24 custodian, the needs of the child, the amount and calculation of the relative custody
76.25 assistance payments, and that the amount of the payments shall be reevaluated annually;

76.26 (3) the effective date of the agreement, which shall also be the anniversary date for
76.27 the purpose of submitting the annual affidavit under subdivision 8;

76.28 (4) that failure to submit the affidavit as required by subdivision 8 will be grounds
76.29 for terminating the agreement;

76.30 (5) the agreement's expected duration, which shall not extend beyond the child's
76.31 eighteenth birthday;

76.32 (6) any specific known circumstances that could cause the agreement or payments
76.33 to be modified, reduced, or terminated and the relative custodian's appeal rights under
76.34 subdivision 9;

76.35 (7) that the relative custodian must notify the local agency within 30 days of any of
76.36 the following:

- 77.1 (i) a change in the child's status;
- 77.2 (ii) a change in the relationship between the relative custodian and the child;
- 77.3 (iii) a change in composition or level of income of the relative custodian's family;
- 77.4 (iv) a change in eligibility or receipt of benefits under MFIP, or other assistance
- 77.5 program; and
- 77.6 (v) any other change that could affect eligibility for or amount of relative custody
- 77.7 assistance;
- 77.8 (8) that failure to provide notice of a change as required by clause (7) will be
- 77.9 grounds for terminating the agreement;
- 77.10 (9) that the amount of relative custody assistance is subject to the availability of state
- 77.11 funds to reimburse the local agency making the payments;
- 77.12 (10) that the relative custodian may choose to temporarily stop receiving payments
- 77.13 under the agreement at any time by providing 30 days' notice to the local agency and may
- 77.14 choose to begin receiving payments again by providing the same notice but any payments
- 77.15 the relative custodian chooses not to receive are forfeit; and
- 77.16 (11) that the local agency will continue to be responsible for making relative custody
- 77.17 assistance payments under the agreement regardless of the relative custodian's place of
- 77.18 residence.

77.19 Sec. 48. Minnesota Statutes 2012, section 257.85, subdivision 6, is amended to read:

77.20 Subd. 6. **Eligibility criteria.** (a) A local agency shall enter into a relative custody

77.21 assistance agreement under subdivision 5 if it certifies that the following criteria are met:

77.22 (1) the juvenile court has determined or is expected to determine that the child,

77.23 under the former or current custody of the local agency, cannot return to the home of

77.24 the child's parents;

77.25 (2) the court, upon determining that it is in the child's best interests, has issued

77.26 or is expected to issue an order transferring permanent legal and physical custody of

77.27 the child; and

77.28 (3) the child either:

77.29 (i) is a member of a sibling group to be placed together; or

77.30 (ii) has a physical, mental, emotional, or behavioral disability that will require

77.31 financial support.

77.32 When the local agency bases its certification that the criteria in clause (1) or (2) are

77.33 met upon the expectation that the juvenile court will take a certain action, the relative

77.34 custody assistance agreement does not become effective until and unless the court acts as

77.35 expected.

78.1 (b) After November 26, 2014, new relative custody assistance agreements must not
 78.2 be executed. Agreements that were signed by all parties on or before November 26, 2014,
 78.3 and were not in effect because the proposed transfer of permanent legal and physical
 78.4 custody of the child did not occur on or before November 26, 2014, must be renegotiated
 78.5 under the terms of Northstar Care for Children in chapter 256N.

78.6 Sec. 49. **[259A.12] NO NEW EXECUTION OF ADOPTION ASSISTANCE**
 78.7 **AGREEMENTS.**

78.8 After November 26, 2014, new adoption assistance agreements must not be executed
 78.9 under this section. Agreements that were signed on or before November 26, 2014, and
 78.10 were not in effect because the adoption finalization of the child did not occur on or before
 78.11 November 26, 2014, must be renegotiated according to the terms of Northstar Care for
 78.12 Children under chapter 256N. Agreements signed and in effect on or before November 26,
 78.13 2014, must continue according to the terms of this section and applicable rules for the
 78.14 duration of the agreement, unless the commissioner and the adoptive parents choose to
 78.15 renegotiated the agreements under Northstar Care for Children consistent with section
 78.16 256N.28, subdivision 7. After November 26, 2014, this section and associated rules must
 78.17 be referred to as the pre-Northstar Care for Children adoption assistance program and
 78.18 shall apply to children whose adoption assistance agreements were in effect on or before
 78.19 November 26, 2014, and whose adoptive parents have not renegotiated their agreements
 78.20 according to the terms of Northstar Care for Children.

78.21 Sec. 50. **[260C.4411] PRE-NORTHSTAR CARE FOR CHILDREN FOSTER**
 78.22 **CARE PROGRAM.**

78.23 Subdivision 1. **Pre-Northstar Care for Children foster care program.** (a) For a
 78.24 child placed in family foster care on or before December 31, 2014, the county of financial
 78.25 responsibility under section 256G.02 or tribal agency authorized under section 256.01,
 78.26 subdivision 14b, shall pay the local share under section 256N.27, subdivision 3, for foster
 78.27 care maintenance including any difficulty of care as defined in Minnesota Rules, part
 78.28 9560.0521, subparts 7 and 10. Family foster care includes:

78.29 (1) emergency relative placement under section 245A.035;

78.30 (2) licensed foster family settings, foster residence settings, or treatment foster care
 78.31 settings, licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, served by a public
 78.32 or private child care agency authorized by Minnesota Rules, parts 9545.0755 to 9545.0845;

78.33 (3) family foster care homes approved by a tribal agency; and

78.34 (4) unlicensed supervised settings for foster youth ages 18 to 21.

79.1 (b) The county of financial responsibility under section 256G.02 or tribal social
79.2 services agency authorized in section 256.01, subdivision 14b, shall pay the entire cost of
79.3 any initial clothing allowance, administrative payments to child care agencies specified
79.4 in section 317A.907, or any other support services it authorizes, except as otherwise
79.5 provided by law.

79.6 (c) The rates for the pre-Northstar Care for Children foster care program remain
79.7 those in effect on January 1, 2013, continuing the preexisting rate structure for foster
79.8 children who remain with the same caregivers and do not transition into Northstar Care for
79.9 Children under section 256N.21, subdivision 6.

79.10 (d) Difficulty of care payments must be maintained consistent with Minnesota Rules,
79.11 parts 9560.0652 and 9560.0653, using the established reassessment tool in part 9560.0654.
79.12 The preexisting rate structure for the pre-Northstar Care for Children foster care program
79.13 must be maintained, provided that when the number of foster children in the program is
79.14 less than ten percent of the population in 2012, the commissioner may apply the same
79.15 assessment tool to both the pre-Northstar Care for Children foster care program and
79.16 Northstar Care for Children under the authority granted in section 256N.24, subdivision 2.

79.17 (e) The county of financial responsibility under section 256G.02 or tribal agency
79.18 authorized under section 256.01, subdivision 14b, shall document the determined
79.19 pre-Northstar Care for Children foster care rate in the case record, including a description
79.20 of each condition on which the difficulty of care assessment is based. The difficulty
79.21 of care rate is reassessed:

79.22 (1) every 12 months;

79.23 (2) at the request of the foster parent; or

79.24 (3) if the child's level of need changes in the current foster home.

79.25 (f) The pre-Northstar Care for Children foster care program must maintain the
79.26 following existing program features:

79.27 (1) monthly payments must be made to the family foster home provider;

79.28 (2) notice and appeal procedures must be consistent with Minnesota Rules, part
79.29 9560.0665; and

79.30 (3) medical assistance eligibility for foster children must continue to be determined
79.31 according to section 256B.055.

79.32 (g) The county of financial responsibility under section 256G.02 or tribal agency
79.33 authorized under section 256.01, subdivision 14b, may continue existing program features,
79.34 including:

79.35 (1) establishing a local fund of county money through which the agency may
79.36 reimburse foster parents for the cost of repairing damage done to the home and contents by

80.1 the foster child and the additional care insurance premium cost of a child who possesses a
 80.2 permit or license to drive a car; and

80.3 (2) paying a fee for specific services provided by the foster parent, based on the
 80.4 parent's skills, experience, or training. This fee must not be considered foster care
 80.5 maintenance.

80.6 (h) The following events end the child's enrollment in the pre-Northstar Care for
 80.7 Children foster care program:

80.8 (1) reunification with parent or other relative;

80.9 (2) adoption or transfer of permanent legal and physical custody;

80.10 (3) removal from the current foster home to a different foster home;

80.11 (4) another event that ends the current placement episode; or

80.12 (5) attaining the age of 21.

80.13 Subd. 2. **Consideration of other programs.** (a) When a child in foster care
 80.14 is eligible to receive a grant of Retirement Survivors Disability Insurance (RSDI)
 80.15 or Supplemental Security Income for the aged, blind, and disabled, or a foster care
 80.16 maintenance payment under title IV-E of the Social Security Act, United States Code, title
 80.17 42, sections 670 to 676, the child's needs must be met through these programs. Every
 80.18 effort must be made to establish a child's eligibility for a title IV-E grant to reimburse the
 80.19 county or tribe from the federal funds available for this purpose.

80.20 (b) When a child in foster care qualifies for home and community-based waived
 80.21 services under section 256B.49 for community alternative care (CAC), community
 80.22 alternatives for disabled individuals (CADI), or traumatic brain injury (TBI) waivers,
 80.23 this service does not substitute for the child foster care program. When a foster child is
 80.24 receiving waived services benefits, the county of financial responsibility under section
 80.25 256G.02 or tribal agency authorized under section 256.01, subdivision 14b, assesses and
 80.26 provides foster care maintenance including difficulty of care using the established tool in
 80.27 Minnesota Rules, part 9560.0654. If it is determined that additional services are needed to
 80.28 meet the child's needs in the home that are not or cannot be met by the foster care program,
 80.29 the needs must be referred to the waived service program.

80.30 **Sec. 51. [260C.4412] PAYMENT FOR RESIDENTIAL PLACEMENTS.**

80.31 When a child is placed in a foster care group residential setting under Minnesota
 80.32 Rules, parts 2960.0020 to 2960.0710, foster care maintenance payments must be made on
 80.33 behalf of the child to cover the cost of providing food, clothing, shelter, daily supervision,
 80.34 school supplies, child's personal incidentals and supports, reasonable travel for visitation,
 80.35 or other transportation needs associated with the items listed. Daily supervision in the

81.1 group residential setting includes routine day-to-day direction and arrangements to
 81.2 ensure the well-being and safety of the child. It may also include reasonable costs of
 81.3 administration and operation of the facility.

81.4 **EFFECTIVE DATE.** This section is effective January 1, 2015.

81.5 Sec. 52. **[260C.4413] INITIAL CLOTHING ALLOWANCE.**

81.6 (a) An initial clothing allowance must be available to a child eligible for:

81.7 (1) the pre-Northstar Care for Children foster care program under section 260C.441,
 81.8 subdivision 1; and

81.9 (2) the Northstar Care for Children benefits under section 256N.21.

81.10 (b) An initial clothing allowance must also be available for a foster child in a group
 81.11 residential setting based on the child's individual needs during the first 60 days of the
 81.12 child's initial placement. The agency must consider the parent's ability to provide for a
 81.13 child's clothing needs and the residential facility contracts.

81.14 (c) The county of financial responsibility under section 256G.02 or tribal agency
 81.15 authorized under section 256.01, subdivision 14b, shall approve an initial clothing
 81.16 allowance consistent with the child's needs. The amount of the initial clothing allowance
 81.17 must not exceed the monthly basic rate for the child's age group under section 256N.26,
 81.18 subdivision 3.

81.19 **EFFECTIVE DATE.** This section is effective January 1, 2015.

81.20 Sec. 53. Minnesota Statutes 2012, section 260C.446, is amended to read:

81.21 **260C.446 DISTRIBUTION OF FUNDS RECOVERED FOR ASSISTANCE**
 81.22 **FURNISHED.**

81.23 When any amount shall be recovered from any source for assistance furnished
 81.24 under the provisions of sections 260C.001 to 260C.421 ~~and 260C.441~~, there shall be paid
 81.25 into the treasury of the state or county in the proportion in which they have respectively
 81.26 contributed toward the total assistance paid.

81.27 **EFFECTIVE DATE.** This section is effective January 1, 2015.

81.28 Sec. 54. **REPEALER.**

81.29 (a) Minnesota Statutes 2012, sections 256.82, subdivision 4; and 260C.441, are
 81.30 repealed effective January 1, 2015.

82.1 (b) Minnesota Statutes 2012, section 256J.24, subdivision 10, is repealed effective
82.2 October 1, 2013, or upon approval from the United States Department of Agriculture,
82.3 whichever is later.

82.4 (c) Minnesota Rules, part 3400.0130, subpart 8, is repealed effective retroactively
82.5 from September 3, 2012.

82.6 (d) Minnesota Rules, parts 9560.0650, subparts 1, 3, and 6; 9560.0651; and
82.7 9560.0655, are repealed effective January 1, 2015.

82.8 (e) Minnesota Rules, part 9502.0355, subpart 4, is repealed.

APPENDIX
Repealed Minnesota Statutes: S1159-1

256.82 PAYMENTS BY STATE.

Subd. 4. **Rules.** The commissioner shall adopt rules to implement subdivision 3. In developing rules, the commissioner shall take into consideration any existing difficulty of care payment rates so that, to the extent possible, no child for whom a difficulty of care rate is currently established will be adversely affected.

256J.24 FAMILY COMPOSITION; ASSISTANCE STANDARDS; EXIT LEVEL.

Subd. 10. **MFIP exit level.** The commissioner shall adjust the MFIP earned income disregard to ensure that most participants do not lose eligibility for MFIP until their income reaches at least 115 percent of the federal poverty guidelines at the time of the adjustment. The adjustment to the disregard shall be based on a household size of three, and the resulting earned income disregard percentage must be applied to all household sizes. The adjustment under this subdivision must be implemented whenever a Supplemental Nutrition Assistance Program adjustment is reflected in the food portion of the MFIP transitional standard as required under subdivision 5a.

260C.441 COST, PAYMENT.

In addition to the usual care and services given by public and private agencies, the necessary cost incurred by the commissioner of human services in providing care for such child shall be paid by the county committing such child which, subject to uniform rules established by the commissioner of human services, may receive a reimbursement not exceeding one-half of such costs from funds made available for this purpose by the legislature during the period beginning July 1, 1985, and ending December 31, 1985. Beginning January 1, 1986, the necessary cost incurred by the commissioner of human services in providing care for the child must be paid by the county committing the child. Where such child is eligible to receive a grant of Minnesota family investment program or supplemental security income for the aged, blind, and disabled, or a foster care maintenance payment under title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676, the child's needs shall be met through these programs.

3400.0130 CHILD CARE PROVIDER RATES.

Subp. 8. [Repealed, L 2011 1Sp9 art 3 s 35]

9502.0355 CAREGIVER QUALIFICATIONS.

Subp. 4. **Day care insurance coverage.** A provider shall have:

A. a certificate of insurance for the residence for general liability coverage for bodily injury in the amount of at least \$100,000 per person and \$250,000 per occurrence; or

B. if the provider has liability coverage of lesser limits or no liability coverage, the provider shall give a written notice of the level of liability coverage to parents of all children in care prior to admission or when there is a change in the amount of insurance coverage; and

C. the provider shall maintain copies of the notice, signed by the parents to indicate they have read and understood it, in the provider's records on the residence as specified in part 9502.0405.

9560.0650 MAINTENANCE STANDARDS.

Subpart 1. **Payments.** The local agency shall make payments based on the following maintenance standards:

| Age | Monthly Maintenance Standard | Initial Clothing |
|-------|--------------------------------------|--|
| 0-11 | \$212 (\$244 effective January 1984) | up to \$146 (up to \$168 effective January 1984) |
| 12-14 | \$293 | up to \$288 |
| 15-18 | \$320 | up to \$348 |

The initial clothing allowance shall be available based on the child's needs during the first 60 days of the initial placement. The state agency shall annually review and revise the maintenance standard based on "USDA Estimates of the Cost of Raising a Child," issued by the United States Department of Agriculture, Agricultural Resources Service, Publication 1411 (October, 1982).

9560.0650 MAINTENANCE STANDARDS.

Subp. 3. **Agency contract care.** When foster care is provided for a child by a provider licensed under parts 9545.0010 to 9545.0260 through contract with a public or private agency, foster care maintenance payments and difficulty of care payments shall be determined according to the rate schedules in subpart 1 and parts 9560.0653 to 9560.0655. If the local agency is contracting for administrative or social services costs, the payments to the contracting agency shall be in addition to the rates established in subpart 1 and parts 9560.0653 to 9560.0655.

9560.0650 MAINTENANCE STANDARDS.

Subp. 6. **Reassessment.** The agency shall reassess a child:

- A. at the end of 12 months;
- B. at the request of a foster parent;
- C. when a child is placed in a different facility; or
- D. if a child's level of need changes.

9560.0651 DIFFICULTY OF CARE ASSESSMENTS AND PAYMENTS.

Parts 9560.0652 to 9560.0656 provide criteria for assessing the difficulty of care and the payment rate for a child in foster care.

9560.0655 DIFFICULTY OF CARE PAYMENT RATE.

Subpart 1. **Payment rate.** Except as provided by subpart 2, the local agency shall make payments to the foster care provider at the rate of \$3.70 per month for each point assessed under part 9560.0654.

Subp. 2. **Existing placements.** In a placement for which a difficulty of care payment was established and was being made prior to January 1, 1989, and the payment is greater than the payment which would be made under subpart 1, the local agency shall continue to pay the greater amount until the child's difficulty of care changes or the placement terminates.

APPENDIX

Repealed Minnesota Rule: S1159-1

Subp. 3. **Annual revision of payment rate.** By November 1 of each year following January 1, 1989, the commissioner shall review and revise the difficulty of care payment rate in subpart 1 based on USDA Estimates of the Cost of Raising a Child, published by the United States Department of Agriculture, Agricultural Resources Service, Publication 1411. The revision shall be the average percentage by which costs increase for the age ranges represented in the USDA Estimates of the Cost of Raising a Child. The USDA Estimates of the Cost of Raising a Child is subject to annual revision.