

**9055.0310 CALCULATING HOUSEHOLD ASSETS.****Subpart 1. Definitions.**

- A. The definitions in this subpart apply to this part.
- B. "Assets" means cash and cash equivalents and financial instruments and investment vehicles that are convertible to cash and are owned by or available to an applicant or a recipient or any member of the applicant's or recipient's household.
- C. "Cash and cash equivalents" means coins, currency, checking accounts, savings accounts, and money market accounts, and short-term investments that mature in 30 to 90 days.
- D. "Financial instrument" means any real or virtual document that represents a legal agreement involving any kind of monetary value. Financial instruments are cash or derivative in type and are either equity, debt, or foreign exchange based.
- E. "Household assets" means the combined value of the included assets of an applicant or a recipient and any member of an applicant's or a recipient's household.
- F. "Investment vehicle" means any financial product used by investors for the purpose of achieving positive returns.

**Subp. 2. Household assets.**

- A. The commissioner must calculate the household assets of an applicant or a recipient according to this part.
- B. Income received by an applicant or a recipient or a member of an applicant's or a recipient's household is not considered an asset in the month it is received. Income carried over into the next month becomes an asset.
- C. The commissioner must use household assets to determine the household's eligibility for benefits from asset-based state soldiers assistance program activities.

**Subp. 3. Asset inclusion and availability.**

- A. When calculating household assets, the commissioner must include the assets of an applicant or a recipient and any member of an applicant's or a recipient's household, unless an asset is not available or a specific type of asset is excluded by this chapter.
- B. An asset is available if the applicant or recipient or the household member can convert the asset to cash.
- C. The commissioner must exclude an asset if there is a legally enforceable provision in the agreement between the asset owner and the entity administering the asset that currently prevents the asset owner from converting any portion of the asset to cash.
- D. The applicant or recipient must submit documentation to the commissioner from the entity administering the asset that confirms the asset cannot be converted to cash.

E. Taxes, penalties, and fees assessed when converting an asset to cash are not barriers to converting an asset to cash but must be excluded when calculating the value of the asset.

F. Credit available to an applicant or a recipient or any member of the applicant's or recipient's household through a secured or unsecured line of credit or a reverse mortgage is not an asset until funds are distributed and placed in a financial account, financial instrument, or investment vehicle that is convertible to cash.

**Subp. 4. Asset ownership.**

A. When calculating household assets, the commissioner must equally divide the value of an asset that is jointly owned by:

(1) an applicant or a recipient or any member of the applicant's or recipient's household;  
and

(2) a person not eligible for benefits unless the asset is a personal checking or savings account or a different division of asset ownership is confirmed by documentation submitted from the entity administering the asset.

B. When calculating household assets, the commissioner must include the full value of a personal checking or savings account that is jointly owned by:

(1) an applicant or a recipient or any member of the applicant's or recipient's household;  
and

(2) a person not eligible for benefits, unless documentation submitted from the entity administering the asset confirms:

(a) the applicant or recipient or the household member has limited access to the funds in the account; or

(b) specific shares of the funds are attributed to the applicant or recipient or the household member and the person not eligible for benefits.

**Subp. 5. Asset limits.**

A. When an applicant's or a recipient's household assets are a determinant of eligibility for a specific state soldiers assistance program activity, maximum household asset limits based on an applicant's or a recipient's household size are provided in the schedule of maximum monthly allowances for the program activity.

B. A household is not eligible for benefits from a state soldiers assistance program that is asset based if the household's assets are greater than or equal to its maximum household asset limit for the program activity.

C. Transferring household assets for the purpose of attaining program eligibility is prohibited. The commissioner must include the value of improperly transferred assets when calculating household assets.

D. A household may reduce its household assets to attain program eligibility by paying for basic needs if the household's assets are greater than or equal to its maximum household asset limit for an asset-based program on the date of application.

**Subp. 6. Asset documentation.**

A. An applicant or a recipient must verify household assets with any of the following documents:

(1) statements from the entity administering an asset that verify the funds available in all financial accounts;

(2) statements from the entity administering an asset that verify the cash value of all financial instruments or investment vehicles; or

(3) other documentation from entity administering an asset that accurately verifies the value of an asset.

B. An applicant or a recipient must submit the most current asset documentation to the commissioner for the type of asset that is being calculated.

C. Documentation submitted by an applicant or a recipient must verify and confirm:

(1) the owner of the asset;

(2) the financial institution, employer, agency, or organization administering the asset;

(3) the period covered by the documentation;

(4) the gross value of the asset; and

(5) the taxes, penalties, and fees and other withholdings or reductions incurred if the asset were converted to cash.

**Subp. 7. Allowed withholdings and reductions.** The commissioner must reduce the gross value of an asset by the following withholdings and reductions to calculate the value of the asset that is used to determine the household's eligibility for benefits:

A. projected federal income tax withholdings;

B. projected state income tax withholdings;

C. surrender charges, penalties for early withdrawal, revocation of bonuses or onetime payments, higher fees, or reduced interest guarantees calculated and verified by documentation from the entity administering the asset; and

D. other projected penalties and fees associated with a loan, early distribution, or conversion of an asset to cash calculated and verified by documentation from the entity administering the asset.

**Subp. 8. Excluded assets.** The commissioner must exclude the following types of assets when calculating household assets:

- A. irrevocable burial policies or irrevocable trusts;
- B. the cash value and other proceeds available from life insurance policies if converting these assets to cash results in termination of coverage; and
- C. all financial accounts of minor children if the financial accounts are custodial accounts.

**Statutory Authority:** *MS s 14.06; 196.04; 196.05; 197.03; 197.05; 197.06; 197.75*

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