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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1276

02/20/2025 Authored by Hicks and Kotyza-Witthuhn The bill was read for the first time and referred to the Committee on Children and Families Finance and Policy

1.1 A bill for an act
1.2 relating to children; modifying Northstar Care for Children benefits for children
1.3 under the age of six and children transferred into Northstar Care for Children;
1.4 amending Minnesota Statutes 2024, sections 142A.609, subdivision 5; 142A.611,
1.5 subdivisions 2, 4.

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

1.7 Section 1. Minnesota Statutes 2024, section 142A.609, subdivision 5, is amended to read:

1.8 Subd. 5. Alternate rates for preschool entry and certain transitioned children. (a)
1.9 A child who entered or enters the Northstar kinship assistance or adoption assistance
1.10 components of Northstar Care for Children while under the age of six shall must receive
1.11 50 percent of the amount the child would otherwise be entitled to under subdivisions 3 and
1.12 4.

1.13 (b) The commissioner may also use the 50 percent rate for a child who was transitioned
1.14 into those components through declaration of the commissioner under section 256N.28
1.15 142A.612, subdivision 7.

1.16 (c) A child who is in the care of a relative or placed within the placement preferences
1.17 under section 260.773, and who enters the Northstar kinship assistance or adoption assistance
1.18 components of Northstar Care for Children while under the age of six must receive the full
1.19 amount under subdivisions 3 and 4.

1.20 Sec. 2. Minnesota Statutes 2024, section 142A.611, subdivision 2, is amended to read:

1.21 Subd. 2. State share. The commissioner shall must pay the state share of the maintenance
1.22 payments as determined under subdivision 4, and an identical share of the pre-Northstar

2.1 Care foster care program under section 260C.4411, subdivision 1, the relative custody
2.2 assistance program under section 142A.65, and the pre-Northstar Care for Children adoption
2.3 assistance program under chapter 259A. The state share must include the cost of eliminating
2.4 the alternate rates for preschool entry into kinship assistance or adoption assistance under
2.5 section 142A.609, subdivision 5, paragraph (c).

2.6 Sec. 3. Minnesota Statutes 2024, section 142A.611, subdivision 4, is amended to read:

2.7 Subd. 4. **Nonfederal share.** (a) The commissioner ~~shall~~ must establish a percentage
2.8 share of the maintenance payments, reduced by federal reimbursements under title IV-E of
2.9 the Social Security Act, to be paid by the state and to be paid by the financially responsible
2.10 agency.

2.11 (b) These state and local shares must initially be calculated based on the ratio of the
2.12 average appropriate expenditures made by the state and all financially responsible agencies
2.13 during calendar years 2011, 2012, 2013, and 2014. For purposes of this calculation,
2.14 appropriate expenditures for the financially responsible agencies must include basic and
2.15 difficulty of care payments for foster care reduced by federal reimbursements, but not
2.16 including any initial clothing allowance, administrative payments to child care agencies
2.17 specified in section 317A.907, child care, or other support or ancillary expenditures. For
2.18 purposes of this calculation, appropriate expenditures for the state ~~shall~~ must include adoption
2.19 assistance and relative custody assistance, reduced by federal reimbursements.

2.20 (c) For each of the periods January 1, 2015, to June 30, 2016, and fiscal years 2017,
2.21 2018, and 2019, the commissioner ~~shall~~ must adjust this initial percentage of state and local
2.22 shares to reflect the relative expenditure trends during calendar years 2011, 2012, 2013,
2.23 and 2014, taking into account appropriations for Northstar Care for Children, the cost of
2.24 eliminating the alternate rates for preschool entry into kinship assistance or adoption
2.25 assistance under section 142A.609, subdivision 5, paragraph (c), and the turnover rates of
2.26 the components. In making these adjustments, the commissioner's goal ~~shall~~ must be to
2.27 make these state and local expenditures other than the appropriations for Northstar Care for
2.28 Children to be the same as they would have been had Northstar Care for Children not been
2.29 implemented, or if that is not possible, proportionally higher or lower, as appropriate. Except
2.30 for adjustments so that the costs of the phase-in and the cost of eliminating the alternate
2.31 rates for preschool entry into kinship assistance or adoption assistance under section
2.32 142A.609, subdivision 5, paragraph (c), are borne by the state, the state and local share
2.33 percentages for fiscal year 2019 must be used for all subsequent years.