

**SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION**

**S.F. No. 1263**

(SENATE AUTHORS: MAYE QUADE, Mohamed, Coleman, Abeler and Hoffman)  
DATE 02/06/2023 D-PG Introduction and first reading OFFICIAL STATUS Referred to Taxes

1.1 A bill for an act  
1.2 relating to taxes; modifying eligibility for home and community-based services  
1.3 workforce development grants; excluding workforce development grant money  
1.4 from income for certain purposes; amending Laws 2021, First Special Session  
1.5 chapter 7, article 17, section 20.

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

1.7 Section 1. Laws 2021, First Special Session chapter 7, article 17, section 20, is amended  
1.8 to read:

1.9 **Sec. 20. HCBS WORKFORCE DEVELOPMENT GRANT.**

1.10 Subdivision 1. Appropriation. (a) This act includes \$0 in fiscal year 2022 and \$5,588,000  
1.11 in fiscal year 2023 to address challenges related to attracting and maintaining direct care  
1.12 workers who provide home and community-based services for people with disabilities and  
1.13 older adults. The general fund base included in this act for this purpose is \$5,588,000 in  
1.14 fiscal year 2024 and \$0 in fiscal year 2025.

1.15 (b) At least 90 percent of funding for this provision must be directed to workers who  
1.16 earn ~~200~~ 300 percent or less of the most current federal poverty level issued by the United  
1.17 States Department of Health and Human Services.

1.18 (c) The commissioner must consult with stakeholders to finalize a report detailing the  
1.19 final plan for use of the funds. The commissioner must publish the report by March 1, 2022,  
1.20 and notify the chairs and ranking minority members of the legislative committees with  
1.21 jurisdiction over health and human services policy and finance.

2.1 Subd. 2. **Public assistance eligibility.** Notwithstanding any law to the contrary, workforce  
2.2 development grant money received under this section is not income, assets, or personal  
2.3 property for purposes of determining eligibility or recertifying eligibility for:

2.4 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

2.5 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
2.6 Statutes, chapter 256D;

2.7 (3) housing support under Minnesota Statutes, chapter 256I;

2.8 (4) the Minnesota family investment program and the diversionary work program under  
2.9 Minnesota Statutes, chapter 256J; and

2.10 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

2.11 Subd. 3. **Medical assistance eligibility.** Notwithstanding any law to the contrary,  
2.12 workforce development grant money received under this section is not income or assets for  
2.13 the purposes of determining eligibility for medical assistance under Minnesota Statutes,  
2.14 section 256B.056, subdivision 1a, paragraph (a); 3; or 3c; or 256B.057, subdivision 3, 3a,  
2.15 or 3b.

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

2.17 Sec. 2. **INCOME TAX SUBTRACTIONS.**

2.18 (a) For the purposes of this section, "subtraction" has the meaning given in Minnesota  
2.19 Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply for this  
2.20 section. The definitions in Minnesota Statutes, section 290.01, apply to this section.

2.21 (b) The amount of workforce development grant money received under Laws 2021, First  
2.22 Special Session chapter 7, article 17, section 20, is a subtraction.

2.23 (c) Workforce development grant money received under Laws 2021, First Special Session  
2.24 chapter 7, article 17, section 20, is excluded from income as defined in Minnesota Statutes,  
2.25 sections 290.0674, subdivision 2a, and 290A.03, subdivision 3.

2.26 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
2.27 after December 31, 2021, and before December 31, 2024.