

[H.F. 1918 \(Hanson\)](#) / [S.F. 2778 \(Kupec\)](#) – DCYF Policy Bill

This bill contains policy, technical, and housekeeping updates to statutes related to economic assistance, child care, and child welfare. The provisions in this bill have no fiscal impacts.

Article 1 – Economic Assistance

Exemption to the Contract Term Limit for the EBT Contract (section 1). This section provides an exemption to the five-year limit on state contracts for the state’s Electronic Benefits Transfer (EBT) contract, allowing an initial five-year term with extensions up to ten-years total. EBT is one of Minnesota’s largest mission-critical automated systems distributing at least one billion dollars in economic assistance and food benefits to more than 225,000 households across Minnesota each year. The U.S. Department of Agriculture places multiple regulations on states regarding their EBT systems, contributing to a complex and lengthy process of procuring EBT services that can last two to three years. Given the current five-year limit on state contracts, this means the state is in a near-constant process of re-procuring its EBT contract for EBT services. Allowing a longer contract duration will eliminate the need for DCYF to engage in a near-constant procurement cycle for the state’s EBT system, improving administrative efficiency and reducing the risk of a gap in vital and critical services for Minnesotans.

Article 2 – Child Care Provider Programs

Great Start Compensation Support Payment Program Policy Update (section 1). This section adds a subdivision to section 142D.21, to clarify which data collected in administering the Great Start Compensation Support Payment Program is public and which is nonpublic. It clarifies that payments to child care programs are public data, and specifically that the names and addresses of child care programs, amounts paid under the program, and frequency of payments are public data. This will increase transparency and efficiency of the program. Additionally, the language specifies that operating and personnel expenses, data regarding children and families served by applicants, and legal nonlicensed child care providers who serve children receiving child care subsidies are nonpublic.

Article 3 – Child Welfare

Child Welfare Housekeeping, Technical, and Policy Updates (sections 1-5, 7-9, 11-12, 16, 19-22, 24-27, 29-30). These sections contain changes across Minnesota Statutes chapters 260, 260C and 260E to address technical and policy clarification needs across the child welfare system. This proposal:

- Clarifies policy requirements in the Minnesota African American Family Preservation and Child Welfare Disproportionality Act to support implementation
- Adds clarifying language that clearly states inquiry of American Indian heritage is required for all children and families in any kind of child welfare matter
- Replaces colloquial language with official terminology

- Corrects a statutory cross-reference
- Aligns statute with DCYF guidance related to reestablishment of parental rights, to allow for a child who is not currently adopted, including a child whose prior adoption dissolved, to be reunified with a biological parent through reestablishment of parental rights, and to allow parents whose consent to adoption was accepted by the court, but the identified prospective adoptive parent did not finalize the adoption or the adoption dissolved, to be eligible for reestablishment
- Aligns statute with DCYF guidance to clarify the timeline, information gathering authority and documentation requirements for agencies conducting noncaregiver human trafficking assessments.

Supporting and Preserving Families to Prevent Foster Care Placement (sections 6, 28). This proposal allows for counties and Tribes to provide a prevention response to educational neglect reports prior to a child protection response. The current statute requires a child protection response at 7 unexcused absences. In many instances, unexcused absences relate to poverty, which is often confused with neglect. This would allow counties and Tribes to respond in a preventative, holistic response and provide resources and support without requiring a maltreatment response. Prevention will improve engagement and attendance while decreasing unnecessary entry into the child protection system and a decrease in disparities in the child protection system. The proposal still allows for a child protection response if the unexcused absences continue, and the family is not engaged with prevention services. A bill requiring prevention for unexcused absences was proposed and supported by the Institute to Transform Child Protection (ITCP) and MACSSA in the 2024 legislative session.

Foster Care Policy Modifications (sections 10, 13-15, 17-18, 23-24). This proposal has two provisions:

- Minnesota statute requires out-of-home placement plans to be prepared within 30 days after a child is placed in foster care. This proposal aligns state statute with federal statute by requiring the out-of-home placement plan to be completed within 60 days, while maintaining the policy goals of the 2024 legislature by requiring the out-of-home placement plan summary within 30 days.
- For youth in foster care, at age 17.5, existing policy requires the responsible agency to provide a notice to the youth, parents and others about extended foster care program. This proposal adds a court report and review 90 days prior to turning age 18 to inform the court of the youth's intentions and to ensure all needs or services have been addressed.

Article 4 – Transfers to the Department of Children, Youth, and Families

Transfers to the Department of Children, Youth, and Families in Uncodified Law (section 1).

Provides that any power, duty, or responsibility given to the commissioner of human services or the Department of Human Services in an uncodified section of Laws of Minnesota that is a part of, necessary for, or in service of a power, duty, or responsibility transferred in Laws 2023, chapter 70, article 12, section 30, or Laws 2024, chapter 80, transfers to the commissioner of children, youth, and families or the Department of Children, Youth, and Families upon the notice of transfer of the underlying power, duty, or responsibility required in Laws 2023, chapter 70, article 12, section 30, subdivision 1. This section applies to uncodified sections of Laws of Minnesota enacted before and after Laws 2023, chapter 70, including but not limited to Laws 2024, chapter 117, sections 16 to 22.