MINNESOTA'S CHILDREN'S CABINET

2024 CHILDREN AND FAMILIES LEGISLATIVE SUMMARY

LEGISLATIVE INVESTMENTS AND POLICY CHANGES RELATED TO CHILDREN, YOUTH, AND FAMILIES

2024 LEGISLATIVE SESSION

Overview of 2024 Children and Families Accomplishments

- ✓ Creating a first-in-the-nation Child Tax Credit (CTC) Payment Protection pilot to enable families to access the credit periodically to improve and protect the family economic stability provided by the historic CTC passed last session.

- ✓ Ensuring critical operational needs for the Department of Children, Youth, and Families;

- ✓ Providing infrastructure at DCYF for intergovernmental engagement and to enhance family navigation and coordination within and across agencies for children with disabilities and mental health needs;

- ✓ Addressing food insecurity for families by investing in emergency food system needs and maximizing federal resources by funding Summer EBT implementation

- ✓ Leveraging existing resources to enable 2,200 additional Voluntary Pre-K seats, invested in child care facility revitalization, and making permanent the Ombudsperson for Family Child Care Office; and

- ✓ Investing in improvements to the IT infrastructure that supports the child welfare system and workforce

2024 Legislative Investments and Policy Changes Related to Children and Families

Important notes:

- *Investments are all in state general funds unless otherwise noted.*
- *When two agencies are listed on separate lines in the agency column, both are responsible for implementation.*
- *When the agency listed is "DHS/DCYF" or "MDE/DCYF," this means the program will transfer from DHS or MDE to the new Department of Children, Youth, and Families, which will be established on July 1, 2024.*

Department of Children, Youth, and Families

Change	Agency	Impact
Funding	DCYF	$1 million in FY25 and $8.1 million per biennium ongoing for **critical agency operations** to support high-quality services and respond to community engagement at the new **Department of Children, Youth, and Families (DCYF).** This includes the establishment of the Children, Youth, and Families Intergovernmental Advisory Committee for counties and Tribes to provide advice and recommendations to the DCYF commissioner and funding for leadership positions focused on family navigation supports and coordination for children with disabilities and mental health needs.
Policy	DCYF	**Transfers 25 additional programs** from DHS and one from MDE to DCYF. This includes programs already planned to transfer to DCYF and new programs established in the 2023 legislative session in the areas of food security, early care and learning, and child safety and permanency. A complete list of programs transferring can be found on the DCYF Implementation Office website.
Policy	DCYF	**Creates the DCYF statutory infrastructure** by moving, copying and updating statutes necessary to facilitate the transfer of responsibilities, authorities, and related operational functions needed to implement the new agency. This recodification bill moved most DCYF-related program statutes to Minnesota Statutes Chapter 142A-G, the DCYF Chapters.

Child Health, Safety & Permanency

Change	Agency	Impact
Funding	DHS/DCYF	$10 million in FY25 to start to improve and **modernize the Social Service Information System (SSIS)**, including minimum standards for modernization.
Funding	DHS/DCYF	$550,000 in FY25 for **relative caregiver grants** to community-based nonprofits to provide culturally competent supports and connection to resources for those caring for relative children from communities disproportionately overrepresented in the state's child welfare system.
Funding	DHS/DCYF	$136,000 in FY25 and $68,000 per biennium ongoing to implement a new requirement for counties and financially responsible agencies that serve as the representative payee for **federal cash benefits paid on behalf of a child in foster care** to provide written notice to the child (if age 13+), child's parents/custodians, guardian ad litem, legally responsible agency, and child's counsel; track federal benefits received for each child (existing federal law); and report to the DCYF commissioner on the number of children for whom they applied to serve as representative payee, number of children for whom they received benefits, and amount of federal cash benefits received beginning July 1, 2025, and each July 1 thereafter.
Funding	DHS/DCYF	$136,000 in FY25 for a **child maltreatment reporting study** requiring the commissioner to review maltreatment reporting processes in other states and consult with stakeholders to develop and provide recommendations to the legislature on whether the state should have a centralized maltreatment reporting process.
Funding	DHS/DCYF	$10,000 in FY25 and $4,000 per biennium ongoing to implement **modifications to the Minnesota Indian Family Preservation Act (MIFPA)** including clarification of active efforts, court process, information to be shared with parents, notice provisions and requirements, Tribal access to files, placement preferences, and Qualified Expert Witness and evidentiary requirements.
Funding	DHS/DCYF	$275,000 in FY25 and $638,000 per biennium ongoing to establish a new process for state and local review of critical incidents involving the death or near death of a child. Repeals existing statute and rule governing **child mortality review panels** and the DHS child fatality/near fatality review team.
Funding	Supreme Court	$1 million in FY25 to the Supreme Court to create a **blueprint for the child protection system** as part of the Children's Justice Initiative. Meetings must begin by September 15, 2024, an interim report is due by July 15, 2025, and a final report is due January 15, 2026.
Funding	DHS/DCYF	Establishes the **Minnesota African American Family Preservation and Child Welfare Disproportionality Act** to support greater protections for African American children and children who are overrepresented in Minnesota's child

		welfare system. Appropriates $1 million in FY25 for new grant program and $2.367 million in FY25 to DHS/DCYF to implement the Act, and establishes base funding of $3.251 million in FY26 and $3.110 million in FY27. Key provisions of the Act: • Requires DCYF to annually determine overrepresented categories, including race, culture, ethnicity, income, and disability status. • Requires that local agencies provide active efforts for all children who meet the definition of overrepresented. • Limits the use of emergency removals, foster care placements, and terminations of parental rights to better ensure children are not removed from their homes unnecessarily. • Requires cultural competency training for case workers, judges, guardians, and others working in the child protection system. • Establishes the African American Child Well-Being Advisory Council. The law is effective January 1, 2025 for Hennepin and Ramsey Counties and July 1, 2027 statewide.
Policy	DHS/DCYF	Creates misdemeanor penalty for preventing a **mandated report of child maltreatment.**
Policy	DHS/DCYF	Establishes **compliance with federal law requiring treatment of labor trafficking as child maltreatment,** and establishes human trafficking as an umbrella term encompassing all forms of trafficking, and federal compliance with processes for responsible social services agencies to take when they learn a child is missing from foster care, including notification of a child's Tribe.
Policy	DHS/DCYF	Establishes authority for DCYF to **compensate Community Resource Center advisory councils,** and establishes compensation rate at $125 per day instead of the $55 statutory compensation rate.
Policy	DHS/DCYF	Provides that licenses for child foster residence settings with residential program certifications for compliance with the federal Family First Prevention Services Act (FFPSA) are **exempt from an existing moratorium on foster care residences** in which the license holder does not live in the foster care setting.
Policy	DHS/DCYF	Makes clarifying changes to **Northstar kinship assistance payments:** • Payments may be made to a successor kinship caregiver when a named successor is unable or unwilling to become a child's permanent caregiver. • Eliminates Northstar benefit agreements' expiration. • Clarifies that payments to a youth in extended foster care may be paid to the youth directly or to a vendor (in cases involving actual or risk of financial exploitation) if the youth lives in an unlicensed supervised independent living setting.
Policy	DHS/DCYF	Requires responsible social service agencies to provide parents with a 1-2 page **out-of-home placement plan summary**, developed by the commissioner, that

		clearly states in plain language what they must do to reunify with their child, and that briefly summarizes the plan's contents.
Policy	DHS/DCYF	**Extends availability of Family First Prevention Services Act Early Intervention Grants** throughFY25.
Policy	DHS/DCYF	Makes a variety of technical, policy, and housekeeping **updates to child welfare statutes.**
Policy	DHS/DCYF	Updates **the Opiate Epidemic Response Fund statute** to allow for child protection activities to also be used for prevention services. The provision also modifies the child protection allocation formula to include screening-related data regarding substance use and the number of assessments and investigations related to substance use. The formula will continue to use the existing number of out-of-home placements related to drug abuse but now includes a three-year average to help stabilize the formula.
Policy	DHS/DCYF MDH	Modifies birth record registration provisions to allow mothers to anonymously relinquish their newborns under **Safe Place for Newborns** in the same hospital where they gave birth.
Policy	DPS	Starting August 1, the **Minnesota Child Passenger Safety Law was updated** to provide new guidance on child seats, booster seats and seat belts that may change how children ride in a vehicle. Every driver who transports children under age 18 in a vehicle will be required to have them restrained in a child safety seat or with a seat belt. The updated law gives more guidance to parents and caregivers as they strive to keep kids safe. Prior to the changes, state law required car seats to be used according to manufacturer's instructions on height and weight. Now, instead of just relying on the child's size, the law specifies ages for rear- and forward-facing car seats, booster seats and seat belts, subject to weight and height depending on the child seat manufacturer. In addition, the booster seat requirement has been increased from 8 to 9 years old. To learn more about age-specific requirements, visit the Minnesota Safety Council's website.
Policy	MDH	Modifies the practice of pharmacy to include **administering certain vaccinations**, including COVID-19 and influenza vaccinations, to individuals over the age of 3.
Policy	DHS	Requires **public program coverage of mother and infant in hospital transfers** if a health care provider recommends that either the mother or newborn be transferred to a different medical facility.
Funding	MDH	Provides funding for the following efforts to **support infant and maternal health**: • $210,000 in FY25 for a grant to Health Birth Day, Inc., to operate **stillbirth prevention** through a tracking fetal movement pilot program. • $263,000 in FY25 for a grant to Chosen Vessels Midwifery Services for a program to provide education, support, and encouragements for

		African American mothers to breastfeed their infants for the first year of life or longer. • $368,000 in FY 25 for a grant to the Birth Justice Collaborative to plan for and engage the community in the **development of an American Indian-focused birth center** to improve access to culturally centered prenatal and postpartum care with the goal of improving maternal and child health outcomes. • $263,000 in FY25 for a grant to the Birth Justice Collaborative for planning and community engagement to develop a **replicable African American-focused Homeplace model**. The model must be to improve access to culturally centered healing and care during pregnancy and the postpartum period with the goal of improving maternal and child health outcomes.

Economic Stability

Change	Agency	Impact
Policy	DHS/DCYF	**Expands eligibility for the Family Assets for Independence in Minnesota (FAIM) match savings program** by specifying that eligible households must have a maximum income equal to or less than the greater of 50 percent of the area median income or 200 percent of the federal poverty guidelines (current eligibility guideline). Modifies the definition of "household" to clarify that sharing finances does not include situations in which a person is living in the same dwelling as others without sharing any other financial arrangements.
Policy	DHS/DCYF	Allows organizations that receive grants for distribution of diapers for **the Diaper Distribution Grant Program** to use up to ten percent of their grant funding for administrative costs. Previously the administrative costs were set at four percent.
Policy	DHS/DCYF	Changes the definition of family violence for the purposes of the **Minnesota Family Investment Program (MFIP) Family Violence waiver** by removing the requirement that fear of physical harm, bodily injury, or assault be "imminent."
Policy	DHS/DCYF	Clarifies that **rental income is self-employment earnings** and is considered earned income for purposes of economic assistance eligibility and verification.
Funding	DOR	Establishes a **minimum Child Tax Credit (CTC)** for taxpayers who receive advanced CTC payments. Taxpayers may be eligible for a minimum credit up to 50% of the prior year child tax credit amount. The minimum credit only applies for increases in income and is limited to taxpayers with income below the phase-out level for the combined CTC and Working Family Credit.

Food Security

Change	Agency	Impact
Funding	DCYF MDE	$10 million per biennium ongoing to DHS and $3.6 million in FY24-25 and $1.1 million per biennium ongoing to MDE to implement the permanent federal **Summer Electronic Benefit Transfer (SEBT)** that will provide $120 per child in summer grocery-buying benefits to more than 400,000 eligible Minnesota students.
Funding	DHS/DCYF	Directs the commissioner to issue guidance to counties, Tribal Nations, Tribal colleges, and Minnesota public postsecondary institutions regarding the requirements necessary for **campus-based employment and training programs for low-income students for the purposes of SNAP student exemptions**. Requires the commissioner to establish an application process for higher education institutions to apply for a campus-based employment and training program designation.
Funding	DCYF	$5 million in FY25 for grants to **Minnesota Food Banks** to purchase and distribute food to food shelves.
Funding	DHS/DCYF	$3.4 million in FY25 for the **Minnesota Food Shelf Program** to support increased demand at food shelves.
Funding	DHS/DCYF	$2 million in FY25 for **American Indian Food Sovereignty Grants**.
Policy	DHS/DCYF	$93,000 in FY25 to implement **SNAP federal compliance policies** including the expanded age range of SNAP participants subject to work requirements and additional SNAP work requirement exemptions (veterans, people experiencing homelessness, and former foster youth under age 25).

Early Care and Education

Change	Agency	Impact
Funding	DHS/DCYF	$500,000 in FY25 federal Child Care Development Block Grant (CCDBG) funds for grants to **coordinate professional development for child care providers**.
Funding	DHS/DCYF	$1.125 million in FY25 for the **Child Care Facility Revitalization Program** for grants to fix, repair, and revitalize licensed family child care, licensed child care centers, certified centers, and legal non-licensed child care providers registered to receive the Child Care Assistance Program (CCAP).
Funding	N/A	$350,000 annually ongoing in federal CCDBG funds to permanently support the **Office of the Family Child Care Ombudsperson**. The statute for the office was updated to make the office independent from DHS or any other state agency.
Funding	DEED	$1 million in FY24-25 from the workforce development fund for a **grant to WomenVenture for supporting child care providers** by providing business training, mentorship, services, and educational materials, by facilitating shared administrative staff and pooled management of services such as banking and payroll, by providing child care management software and software training, and by distributing subgrants and loans, which may be forgivable at WomenVenture's discretion.
Funding	DHS/SCYF	$122,000 in FY24-25 and $244 in FY26-27 to **replace the child care licensing fix-it ticket with a weighted risk system**. The weighted risk system will evaluate child care licensing violations and repeals the fix-it ticket requirement specified in MN Statutes 245A.065.
Policy	DHS/DCYF	Allows the owner of a licensed child care center or provider in a licensed family child care business to require all children in their care to be **fully immunized** unless they can't be immunized due to health factors.
Policy	DHS/DCYF	Clarifies that the effective date for 2023 legislation that changed the requirements for a **One-Star Parent Aware Rating to licensure** alone is July 1, 2026. The 2023 legislation incorrectly established the effective date as July 1, 2023, which was not achievable.
Policy	DHS/DCYF	Clarifies process for **administrative disqualification of child care providers** caring for children accessing CCAP, adds email addresses of providers to public licensing data (with exception for family child foster care), and allows the department to send or receive notices regarding the right to a fair hearing to providers through **the provider hub**.

Funding	MDE/DCYF	Allocates the $50 million set-aside from 2023 **to increase the Voluntary PreK seats** by 5,200 for a total of 12,360 in FY25. Made policy changes to establish that Minneapolis and St. Paul school districts are individual regions for purposes of seat allocations and makes a uniform set of standards for prekindergarten programs, including by ending the School Readiness Plus Program.
Policy	MDE/DCYF	Made the following **policy changes to Early Learning Scholarships (ELS):** • Allows up to $7 million of the ELS appropriation to be used for IT costs to make prospective provider payments, allow applications online, and allow electronic submission and verification of family eligibility. • Clarifies that children in foster care or in need of protective services qualify for an ELS categorically and that priority applies to children who are receiving or undergoing treatment in mental health or prenatal substance use exposure. • Expands ELS priority to children with an individualized education plan (IEP) or individualized family service plan (IFSP).
Policy	MDE/DCYF	Allows up to 2% of the **Early Head Start and Head Start** state appropriation be used for state-level program and funding distribution support beginning in FY25.

Education

Change	Agency	Impact
Funding	OHE	$5 million was transferred from the North Star Promise Program to the **Fostering Independence Grants to ensure all eligible students can enroll in the program** that covers college expenses after other grants and scholarships for Minnesota youth who have been in foster care.
Funding	OHE DCYF	$500,000 one-time was appropriated to Minnesota State Colleges and Universities to participate in **the Kids on Campus initiative to increase campus Head Start partnerships**, including expanding Head Starts on campuses, engaging with local Head Start Programs, and developing strategies to grow the early childhood care and education workforce through Head Start partnerships.
Funding	DPS	$7 million from the state government special revenue fund for 911 emergency telecommunications services to DPS to issue grants to the seven regional emergency communications boards to create a **digital geographic information system (GIS) mapping school facilities.**

Funding	MDA	$125,000 in FY25 for an **increase to Farm to School Grants** and a policy update to allow the grants to go to licensed family child care providers.
Funding	MDA	$225,000 in FY24 for **Meat Education and Training Grants** awarded to public and private schools (grades 6-12) to establish or enhance meat-cutting and butchery training programs.
Funding	MDE	$40,000 in FY25 for **Tribal contract schools**.
Funding	MDE	$4.7 million in FY25 for a **Student Attendance Pilot Program** in 12 school districts. Establishes a Student Attendance and Truancy Legislative Study Group to evaluate ways to increase student attendance with reports due on November 1, 2024 and December 31, 2024.
Funding	MDE	$627,000 to create **statewide health academic standards**.
Funding	MDE	Makes **updates to and additional investments in the READ** Act to promote literacy and modify literacy education requirements, including: • $31.4 million for school districts and charter schools to provide teacher compensation for trainings. • $35M in curriculum funding from 2023 converted for distribution on a per pupil basis for literacy aid. • Literacy Incentive Aid uses expanded to include intervention specialists, approved screeners, and teacher stipends. • $4 million in FY25 for statewide literacy training • READ Act Deaf, Blind, and Hard of Hearing working group established to make recommendations by January 15, 2025 on literacy training, screeners, and curriculum for students who cannot fully access sound-based approaches such as phonics. • Other requirements for MDE related to supporting and implementing literacy professional development and training, literacy screening requirements, and technical changes and corrections to the law.
Funding	PELSB	$6.5 million for **teacher preparation programs** to provide student teachers with stipends.
Funding	MDE	$1 million in FY25 for **grants to Intermediate School Districts for special education registered apprenticeship** program costs.
Funding	OHE	$1 million in FY25 for the **Aspiring Teachers of Color Scholarship Program**.
Funding	MDE	$130,000 annually to establish a **state school librarian at MDE**.

Policy	MDE	The following policy changes were made related to **American Indian Education**: • MDE required to consult with Tribal Nations and the Tribal Nation Education Committee (TNEC) on their need for additional funding to develop resources. Resources developed to-date posted online and report of ongoing needs required by February 15, 2025. • Religious instruction exemption extended for an American Indian cultural practice, observance, or ceremony. Approved absences from school may be for instruction provided by Tribal, spiritual, or cultural advisors. • Smudging permitted in public school property with sufficient supervision. • Adds Tribal contract schools as eligible for Grow Your Own teacher recruitment program and Special Education Teacher Pipeline program.
Policy	MDE DEED	Authorizes school districts and charter schools to release specific student data to the Department of Employment and Economic Development (DEED) for purposes of **coordinating special education services for students with disabilities.**
Policy	MDE	Requires districts and charters must adopt a **School Cell Phone Policy** by March 15, 2025. The Minnesota Elementary School Principals' Association (MESPA) and the Minnesota Association of Secondary School Principals (MASSP) must collaborate to develop best practices.
Policy	MDE	Clarifies law to **authorize certain school social worker services** to be covered by third-party Medical Assistance billing.
Policy	MDE	Require districts to **develop a board-approved language access plan**. This plan must be reviewed every two years and updated as appropriate.
Policy	MDE	As part of a 9th grade or younger student's meeting to develop a plan for successful transition to postsecondary education or employment, and the annual review of said plan, the adults and caregivers must make sure the student remains **on track for graduation.**
Policy	MDE	Clarifies that p**rohibition on withholding grades or diploma for nonpayment of fees** also applies to all districts, charters, and Tribal contract schools.
Policy	MDE	Renames the "World's Best Workforce" in statute to **"Comprehensive Achievement and Civic Readiness."**
Policy	MDE	Starting in SY26-27, school districts and charter schools must provide **mental health instruction** and must provide student access to space for **mental health care through telehealth.**

Policy	MDE	Adds a definition in law regarding allowable **English Language Learning Cross Subsidy costs** and makes a technical formula correction. Establishes an English Language Learning Cross Subsidy Task Force to analyze how public schools use English Learner revenue, how micro credentials/credentials are used, and makes recommendations on how to use funding more effectively.
Policy	MDE	Establishes a **Permanent School Fund Task Force** to examine the distribution of earnings from the permanent school fund endowment with report recommendations due by January 15, 2026.
Policy	MDE	Makes the following **policy changes related to school health and safety**: • Schools encouraged to adopt a school policy on parental notification for unscheduled student removal from class. • Minnesota State High School League required to provide school coaches with eating disorder prevention education resources. • Provides excused absences are permitted for telehealth appointments. • Requires districts and charters to provide access to space for students to receive mental health care through telehealth. • Allows licensed school nurses to administer necessary medication in certain situations.
Policy	MDE	Makes the following **policy changes related to school resource officers**: • Modifies 2023 legislative changes around prone restraint and reasonable force, including clarifying that school resources officers are not district employees or agents. • Removes “imminent” standard in reasonable force statute. • Defines school resource officer, establishes duties to schools and limitations, and training requirements. • Requires Board of Peace Officer Standards and Training to develop a model school resource officer policy and convene representatives from education, community, and law enforcement groups.
Policy	MDE	Creates a standalone state council for the **Military Interstate Children’s Compact** required under Minnesota Statutes 127A.85, extends benefits and rights to children of Minnesota National Guard and Reserve members, and establishes a Purple Star School designation process.

Housing and Homelessness

Change	Agency	Impact
Funding	MHFA	$8.1 million in FY24-25 for the **Family Homeless Prevention & Assistance Program**.
Funding	DHS	$150,000 to contract with the Wilder Foundation to **study the statewide numbers of pregnant and parenting homeless youth**. Final report due December 31, 2025.
Funding	DHS	$3.4 million in FY25, available until June 30, 2027, for the **Emergency Services Program (ESP) that provides grants to homeless providers.** These one-time funds shall be used for grants to homeless providers that received an ESP award in FY24 and have emerging, critical, and immediate homelessness response needs that have arisen since receiving an award.
Policy	MHFA DHS	$471,000 in FY25 for Minnesota Housing to engage in several projects related to **expediting rental assistance**, including: • Developing an **annual projection of emergency rental assistance needs** in consultation with the DHS commissioner and representatives from county and Tribal housing administrators and housing nonprofit agencies. The projection must identify the amount of funding required to meet all emergency rental assistance needs, including the family homelessness prevention and assistance program, the emergency assistance program, and emergency general assistance. Requires a report to the legislature by January 15 each year. • Requires Minnesota Housing, in partnership with DHS, to collect data to **monitor application speed of the Family Homelessness Prevention and Assistance Program (FHPAP)** and use the data collected to inform improvements to application processing systems. By January 15, 2027, the Minnesota Housing commissioner must submit a report to the legislature. • Requires Minnesota Housing, in collaboration with DHS, to develop uniform e-signature options for FHPAP application by January 30, 2026. • Requires that Minnesota Housing ensures all **work related to expediting rental assistance is culturally responsive and trauma informed.**
Funding	MHFA	$50 million in **new Housing Infrastructure Bond** authorization.
Policy	Multiple agencies	Specifies that the governor, lieutenant governor, and legislature find that **addressing homelessness is a pressing public need**. Specifies that DHS administers programs to provide shelter, support services, and housing stability to low-income Minnesotans and people experiencing homelessness, and that no later than January 15, 2025, the DHS commissioner, in cooperation with the commissioner of Minnesota Housing and other relevant agencies, must report to the legislature on the department's activities to reduce homelessness.

Policy	DHS	Beginning February 1, 2025, requires the DHS commissioner to prepare a biennial **report on homeless youth**, Homeless Youth Act grantees, and shelter-linked youth mental health grantees.
Policy	MHFA	Allows a household that is income-qualified and enrolled in a state assistance program to be **automatically eligible for specific Minnesota Housing assistance** programs.
Funding	MHFA	Makes **changes to the Community Stabilization Program** (passed in 2023): $50 million for recapitalization of distressed multifamily properties (new eligible properties and funding uses), with up to $15 million set aside for supportive housing properties

Supporting Our Youth and Mental Health

Change	Agency	Impact
Funding	DEED	Directs appropriations to community organizations to **support youth employment**, training and mentoring programs including $250,000 in FY24-25 for the Bolder Options Youth Mentoring Program, $500,000 in FY24-25 for the Metro Youth Diversion Center, $174,000 for the Duluth Middle School Computer Program, and $171,000 for the Proctor Public Schools Program.
Funding	DPS	$500,000 in FY24-25 from the community crime and violence prevention account for **youth crime prevention strategies** in the metro area.
Funding	MDE	$150,000 in FY25 for **YMCA Youth in Government and Center for Youth Voice** programs.
Funding	MDE	$375,000 in FY25 to Minnesota Alliance with Youth to operate the **Minnesota Youth Council.**
Funding	DHS/MDE	$3 million in FY25 for School-Linked Behavioral Health Grants.
Funding	DHS	$2.65 million for **respite care services for children with emotional disturbances** who are at risk of out-of-home placement.
Funding	DHS	$1.7 million for a grant to Volunteers of America for program consolidation, workforce training, and the development of a **trauma-informed locked setting environment.**

Funding	DHS	**Increased mental health service rates** by an average of 4 percent as the state takes initial steps toward implementing the recommendations of the Medical Assistance Outpatient Rate Study. Rates for substance use disorder services in residential settings will rise 3% and hospitals will receive a one-time increase in payments for mental health services.
Funding	DHS	A new Medicaid demonstration project will allow the state to **cover physical and behavioral health services in correctional settings in the 90 days before a person reenters the community**. This will be piloted in several facilities across the state, including two youth facilities.
Policy	DPS DCYF	**Raised the juvenile delinquency age** to 13 years old, effective August 1, 2026.
Policy	MDE/DHS	Makes **school support services eligible for Medicaid/MA reimbursement**, and this includes psychotherapy for crisis.