

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Human Services

Emergency Child Care Grants

The Governor recommends providing financial support to organizations licensed to provide child care to emergency responders. These grants would be administered through regional entities across the state and support approximately 1,000 family and center-based providers as they care for children of health care and other emergency workers for approximately three months. Child care providers may not have ongoing revenue to continue serving children amidst COVID-19 pandemic imposed staff and enrollment fluctuations, closures, and increased operating costs.

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|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$29,964 | \$0 | \$0 | \$0 |
|---------|--------------|----------|-----|-----|-----|

Emergency Assistance for Minnesota Family Investment Program (MFIP) Families

The Governor recommends providing an emergency assistance payment up to \$500 per Minnesota Family Investment Program (MFIP) family to help address significant challenges faced during the COVID-19 pandemic. This one-time payment is expected to support 27,700 households and will be delivered through whatever means families currently receive MFIP benefits: EBT cards, direct deposit or check. The Governor also recommends a \$20 per case reimbursement to counties and tribes to defray administrative costs associated with this proposal. All administrative costs are paid from the general fund.

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|--------------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$560 | \$0 | \$0 | \$0 |
| Federal TANF | Expenditures | \$13,852 | \$0 | \$0 | \$0 |

Increase Funding for Minnesota Food Shelf Program (MFSP)

The Governor recommends increasing funding to the Minnesota Food Shelf Program (MFSP) to address food banks, food shelves and transportation needs during the COVID-19 pandemic. This recommendation provides additional funds to seven regional food banks to enable specialized responses to community needs. It also provides additional money to purchase supplies to almost 400 food shelves across the state. Finally, it provides dollars to fund a network of transportation organizations to assist in the distribution of food and supplies from food shelves to affected persons in the community, including elderly, disabled, and quarantined Minnesotans.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$9,000 | \$0 | \$0 | \$0 |
|---------|--------------|---------|-----|-----|-----|

Department of Human Services Temporary Emergency Authority

The Governor's Executive Order 20-12 allows DHS to temporarily issue waivers or modifications to state requirements to help ensure services are delivered without delay. The Governor recommends the legislature act to codify these temporary authorities. Flexibilities already being implemented include regulatory changes designed to protect benefits and ensure people do not lose coverage during this outbreak, cover COVID-19 diagnosis and treatment costs, allow for in-person work to be converted to phone work, and other changes to allow Minnesotans supported by the Department of Human Services to shelter in place without losing their support. Expenditures reflect the value of appropriations needed to fund actions already approved under the executive order.

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|---------|--------------|----------|----------|-----|-----|
| General | Expenditures | \$13,308 | \$44,420 | \$0 | \$0 |
|---------|--------------|----------|----------|-----|-----|

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Human Services

Additional Emergency Homeless Shelter

The Governor recommends providing resources for additional shelter space for homeless persons through the Emergency Services Program (ESP). The only eligibility requirement for ESP is that recipients are experiencing homelessness. This proposal provides additional emergency shelter to protect this potentially medically fragile population from Covid-19. Reducing unsheltered persons protects this group and limits the spread of the disease.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$1,500 | \$0 | \$0 | \$0 |
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Hygiene/Sanitation Supplies For Homeless Shelters

The Governor recommends providing additional resources to homeless and drop-in shelter providers for cleaning and sanitation supplies. These additional resources will be distributed through the Emergency Services Program (ESP) to local providers and tribal governments. This funding will support these providers in complying with CDC guidance on sanitation and personal protective equipment. Following this guidance can reduce the spread of Covid-19. This funding will also respond to an acute need identified by shelter providers for essential supplies.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$5,000 | \$0 | \$0 | \$0 |
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Isolation At Motel Based Quarters

The Governor recommends providing resources to purchase motel rooms to isolate homeless persons exposed to Covid-19 or who are experiencing respiratory illness. People experiencing homelessness are unable to meet the CDC guidelines for self-isolation. Most homeless shelters do not have space capable of isolating individuals. Isolating persons affected limits the spread of Covid-19 among vulnerable populations. Funds granted through the Emergency Services Program (ESP) give local providers and tribal governments resources to purchase space for options for isolation.

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|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$13,706 | \$0 | \$0 | \$0 |
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Overtime/On-Call Homeless Shelter and Medical Staff

The Governor recommends providing additional resources to homeless shelters to expand staff. These funds would be distributed through the Emergency Services Program (ESP) to local providers and tribal governments. Additional resources will ensure these facilities have the staff necessary to protect the health and wellness of program recipients while increasing the number of persons served. Additional staffing resources may also be needed in cases where workers are quarantined or cannot work because they are caring for someone with Covid-19.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$6,331 | \$0 | \$0 | \$0 |
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Temporarily Increase Housing Support Rates by 15%

The Governor recommends increasing Housing Support rates by 15% for three months. Housing Support provides assistance to persons over 65 with low-income and individuals under 65 with disabilities. Housing Support makes payments to pay for rent, utilities, food, household supplies, and other necessities. Housing Support provides assistance to around 20,000 Minnesotans annually. Increasing rates reduces the financial burdens placed on these individuals and ensures these people do not become homeless.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$6,500 | \$0 | \$0 | \$0 |
|---------|--------------|---------|-----|-----|-----|

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Human Services

Total Human Services

| | | | | | |
|--------------|--------------|----------|----------|-----|-----|
| General | Expenditures | \$85,869 | \$44,420 | \$0 | \$0 |
| Federal TANF | Expenditures | \$13,852 | \$0 | \$0 | \$0 |

Housing Finance

Family Homelessness Prevention and Assistance Program

The Governor recommends funding for the Family Homelessness Prevention and Assistance Program (FHPAP). The program provides direct cash assistance for housing payments, utilities, and other housing related expenses. FHPAP serves households who are at or below 200 percent of the federal poverty guidelines, and who are more at risk of homelessness. Grantees include counties, tribal nations, and community-based non-profit organizations and are spread across all 87 counties.

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|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$10,000 | \$0 | \$0 | \$0 |
|---------|--------------|----------|-----|-----|-----|

Total Housing Finance

| | | | | | |
|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$10,000 | \$0 | \$0 | \$0 |
|---------|--------------|----------|-----|-----|-----|

Commerce

Commerce Licensing Extension Language

The Governor recommends allowing the Department of Commerce to work with regulated entities and individuals to prevent economic harm and includes, but is not limited to, extending registration deadlines, licensing renewal deadlines, unclaimed property claims submission requirements, Petrofund applications, filing deadlines for businesses, etc.

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|--------------|--------------|-----|-----|-----|-----|
| Not Assigned | Not Assigned | \$0 | \$0 | \$0 | \$0 |
|--------------|--------------|-----|-----|-----|-----|

Total Commerce

| | | | | | |
|--------------|--------------|-----|-----|-----|-----|
| Not Assigned | Not Assigned | \$0 | \$0 | \$0 | \$0 |
|--------------|--------------|-----|-----|-----|-----|

Employment and Economic Development

DEED Small Business Loan Guarantee Program

The Governor recommends funding for the Small Business Loan Guarantee Program. The program provides an 80% loan guarantee for businesses that have been impacted by COVID-19 and are unable to access SBA disaster loan assistance. This would be another way to help businesses across the state secure private funding (i.e. lines of credit). This program would provide state General Fund backing of up to \$10 Million.

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|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$10,000 | \$0 | \$0 | \$0 |
|---------|--------------|----------|-----|-----|-----|

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Employment and Economic Development

Total Employment and Economic Development

| | | | | | |
|---------|--------------|----------|-----|-----|-----|
| General | Expenditures | \$10,000 | \$0 | \$0 | \$0 |
|---------|--------------|----------|-----|-----|-----|

Management and Budget

COVID-19 Minnesota Fund

The Governor recommends creating the COVID-19 Minnesota Fund in the state treasury for expenditures related to the COVID-19 outbreak peacetime emergency as declared by Emergency Executive Order 20- 01. Money in the account is appropriated to the commissioner of management and budget and may be disbursed, or transferred to agencies, as necessary to protect Minnesotans from the COVID-19 outbreak, and to maintain the operations of government during the peacetime emergency. For example, the fund could be used to pay for increased healthcare and staffing costs in prison facilities, and staffing and overtime in direct care and treatment.

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|---------|--------------|-----------|-----|-----|-----|
| General | Expenditures | \$200,000 | \$0 | \$0 | \$0 |
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Total Management and Budget

| | | | | | |
|---------|--------------|-----------|-----|-----|-----|
| General | Expenditures | \$200,000 | \$0 | \$0 | \$0 |
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Veterans Affairs

Special Emergency Grants

The Governor recommends funding to provide direct assistance to veterans and their families who are facing financial burdens as a result of the COVID-19 virus and its economic effects. This assistance, following an application process and certification of eligibility, would be provided to those veterans and families who are affected by the crisis.

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|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$6,200 | \$0 | \$0 | \$0 |
|---------|--------------|---------|-----|-----|-----|

Total Veterans Affairs

| | | | | | |
|---------|--------------|---------|-----|-----|-----|
| General | Expenditures | \$6,200 | \$0 | \$0 | \$0 |
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