



Emergency MFIP Cash Grants: Strengthen the Safety Net for Low-Income Families During COVID-19

2020 COVID-19 Issue Briefing

JRLC Position

In response to the COVID-19 crisis, the JRLC is requesting that the Minnesota Legislature use existing TANF funds to provide one-time, emergency payments of \$500 for families participating in MFIP. As people of faith, we recognize the dignity of each person and are called to ensure that all of our neighbors have access to basic needs.

Background

The Minnesota Family Investment Program (MFIP) provides critical, temporary assistance to 29,000 families across the state.¹ The majority of MFIP funds go to meet the needs of children, many under age 5.

MFIP is Minnesota's state version of the federal Temporary Assistance for Needy Families (TANF) program, commonly referred to as a welfare-to-work program. People participating in MFIP are often low-wage workers--hospitality, retail, and service--and have seen tremendous cuts because of COVID-19.

Minnesota currently has existing TANF dollars that may be used to provide one-time, emergency payments to MFIP families, action recently taken by other states.² As families pay their utility bills and purchase basic

¹ Minnesota Department of Human Services 2017.

² Brad McElhinny. April 13, 2020. "W.Va. announces one-time payment for TANF recipients and continued efforts on unemployment claims." *Metro News*. See Tennessee Department of Human Services. In Tennessee, emergency TANF payments are only for families who recently lost hours.



necessities like toilet paper, diapers, cleaning supplies and gasoline, these payments will go back into our local communities immediately.

An overview of MFIP

MFIP was designed to support families in crisis as they work toward economic stability. Families who participate in the program are required to meet stringent work, job training, education, and other work-related activity guidelines. In return, they receive help with childcare, some food assistance, and a small amount of cash assistance. The basic cash grant helps families cover the costs of housing, transportation, utilities, and other basic needs.



Child Care Provider Rates: Supporting Essential Workers and Families

2020 COVID-19 Issue Briefing

JRLC Position

Prior to COVID-19, Minnesota was already facing a child care crisis. The need to financially support child care providers has grown increasingly apparent and urgent, as these providers work to remain open for essential workers and their families. The JRLC is grateful for the \$30 million Peacetime Emergency Child Care grant program but recognizes that more needs to be done to help Minnesota's child care providers both in the short and long term.

The JRLC continues to advocate for increased provider rate reimbursements to assure providers can afford to remain in business. For the immediate future, increasing provider rate reimbursements will aid child care providers with new COVID-19 related expenses, such as additional screening and sanitization. Long term, we need a large pool of providers once we restart Minnesota's economy. Simply stated, we cannot afford to lose child care providers.

Background

The JRLC has been a strong advocate for Minnesota's Child Care Assistance Program (CCAP). The program provides financial assistance to low and moderate income families so that parents can work or pursue education, and children can receive nurturing care in a safe, stable environment. In many cases, parents pay a portion of the childcare costs,



based on their income. The program helps provide childcare to approximately 30,000 Minnesota children each month.³

We are working with our Kids Can't Wait coalition to use existing federal money to raise provider rates. While a substantial increase is needed, we need at least a moderate increase in order to be in minimal compliance with federal requirements for the next three years. The federal government recommends that states move to reimbursement of child care providers at the 75th percentile of the current market-rate survey in order to assist moderate and low income families. Minnesota currently reimburses providers at the 25th percentile of the 2011 market-rate survey, which is out of compliance with federal law.⁴

Technicalities aside, to support essential workers and assist Minnesota's families and workforce in the long-run, we need to ensure parents have safe, affordable childcare. The Child Care Assistance Program is the largest form of child care support for low-income working families with infants and toddlers. These families are likely to remain the most vulnerable as we revive the state's economy. Child care will be a key component and we need to assure there are providers available to serve families.

³ Minnesota Department of Human Services.

<https://mn.gov/dhs/partners-and-providers/policies-procedures/child-care-and-early-education/child-care-assistance-program/>. <https://edocs.dhs.state.mn.us/lfservlet/Public/DHS-4745-ENG>.

⁴ To be in compliance, states are supposed to reimburse at the 25th percentile of the current market-base survey.



Driver's License Protection: Valuing Essential Work and Public Health

2020 COVID-19 Issue Briefing

JRLC Position

During this peacetime emergency, driver's licenses should be reinstated for people who have lost their licenses for reasons unrelated to dangerous driving. This is important for an individual's economic stability as well as public health.

People whose licenses have been suspended due to unpaid fines are already facing economic hardships. Many have low-wage jobs that are essential and do not allow them to work remotely: they work at grocery stores, nursing homes, and hospitals. They may be the only source of income in their households. We need these people to be working during these challenging times, and we need them to be able to do this safely. Reinstating licenses will help 33,000⁵ Minnesotans, ensuring that these individuals are able to drive legally and reducing the use of public transportation during the COVID-19 pandemic. We're particularly concerned about people who are sick, sick but asymptomatic, or at high risk for complications using public transportation during the crisis.

Background

The ability to build assets and a financial safety net is key for low-income households to weather COVID-19 challenges ranging from necessary car repairs to a medical crisis. An unexpected cost or fee, though manageable for some households, can be insurmountable for low-income Minnesotans.

⁵ Minnesota Department of Public Safety data as reported by the Minnesota Asset Building Coalition.



Every traffic violation in the state of Minnesota comes with a \$75 state surcharge, in addition to a local fine. Minnesota law allows a judge to waive or reduce the local (city or county) fine if someone is indigent or if paying the fine would create undue hardship for them or their immediate family. Courts may also require community service in lieu of all or a portion of the local fine. Unfortunately, current law does not allow waiver or reduction of the state surcharge. For low income Minnesotans, the choice between paying a ticket and paying for other necessities such as food, housing, or medical expenses is a difficult one; many are unable to pay the fees and fines associated with a minor traffic ticket.

These charges may compound over time, becoming increasingly difficult to pay. And as a result of unpaid fines, a person's driver's license can be suspended. Unlike many license suspensions, these are not a result of reckless conduct, but instead financial stress. Due to work and familial obligations, many people continue to drive with a suspended license. This can lead to arrests and jail time.

In partnership with the Minnesota Asset Building Coalition, the JRLC continues to advocate for a change. During this peacetime emergency, we ask that the state reinstate driver's licenses that have been suspended due to unpaid court debt.

Going forward, we support extending judicial authority to the state surcharge, allowing waiver, reduction or community service in lieu of this surcharge. We also support eliminating automatic license revocation for failure (in many cases, inability) to pay these fines. Any unpaid tickets or citations will continue to be turned over to the Department of Revenue for collection. Finally, we support efforts to make eligible Minnesotans aware of the option to seek waiver or reduction of a fine.