

Housing justice: Taking critical steps forward in Minnesota

The new budget for housing stability approved this year is the biggest investment in housing and homelessness in Minnesota history. At over \$2.1 billion through the next four years, the package will have transformative impacts, helping to prevent and end homelessness, creating a healthy rental market for low-income renters and closing the disparities in homeownership. Efforts will focus on increasing the amount and affordability of housing and shelter, as well as making housing accessible to everyone. Another goal is to prevent homelessness whenever possible and provide the services and supports people need to find and keep their housing.

2023 legislation

Addressing deep poverty through common-sense changes. The monthly benefit for General Assistance, a state program for very low-income adults without children, will increase to as much as \$350 per recipient and include an annual cost-of-living adjustment. The current monthly benefit of \$203 has not increased since 1986. For people with disabilities who receive General Assistance, Housing Support or both, the changes also increase the time to apply for Social Security disability benefits from 30 days to 90 days. Cash assistance programs will reform their drug-testing policies. *FY 2024-25: \$16.7 million; FY 2026-27: \$46.9 million*

Addressing homelessness for adults, youth and families. Ongoing funding for the Emergency Services Program, Transitional Housing Program, Homeless Youth Act and Safe Harbor Shelter and Housing will increase significantly. The additional funds will improve supports for Minnesotans facing homelessness through grants to nonprofits and local and Tribal governments to provide shelter and outreach, transitional housing and other services supporting access to housing. *FY 2024-25: \$72.5 million; FY 2026-27: \$95.8 million*

Advancing independence and housing stability. The housing transition benefit will become a permanent part of Medical Assistance's housing stabilization services, covering expenses such as damage deposits and essential home furnishings for people moving out of provider-controlled or congregate settings. New administrative policy staff will help expedite eligibility determinations for housing stabilization services. Rates for housing support supplemental services will increase, and the state will commission a rate study for this service that helps people with higher support needs remain in housing. *FY 2024-25: \$11.3 million; FY 2026-27: \$18.3 million*

Strengthening adult income supports. The overall effectiveness of Minnesota's adult income support programs will improve with multiple changes. The updates will allow unearned income such as Supplemental Security Income, veterans benefits and child support to count as only 30% of household income for people living in community-based Housing Support settings. This will leave people with more income for other basic needs and savings. Another modification will allow people experiencing homelessness to exclude Tribal per capita and lived experience income for Minnesota income support and child care assistance programs. Minnesota Supplemental Aid benefits will increase for people with representative payees, those who manage Social Security or disability benefits when individuals are unable to do so themselves. *FY 2024-25: \$5.7 million; FY 2026-27: \$14.8 million*

Reducing recidivism for people re-entering the community from correctional facilities. Housing Support will become available to people with disabilities who are leaving incarceration without stable housing, providing a

transition period of up to three months. This will prevent homelessness, increase housing stability and reduce recidivism. *FY 2024-25: \$2.6 million; FY 2026-27: \$3.5 million*

Supporting people to move out of homelessness. The Projects for Assistance in Transition from Homelessness program, or PATH, serves people who have complex needs and face barriers to housing by helping to connect them to services and transition out of homelessness. Funding will support outreach, case management, screening and diagnostic assessments, community mental health, substance use treatment and some housing supports. More providers will be able to provide services, while existing providers will see funding increases. *FY 2024-25: \$10 million; FY 2026-27: \$10 million*

Addressing youth homelessness in new ways. A pilot project will serve homeless youth between the ages of 18 and 24 in St. Louis and Hennepin counties. With coordination and oversight from the Minnesota Department of Human Services, the pilot will provide eligible homeless youth with cash stipends. The project will also deliver youth-designed optional services for homeless youth and collaborate with youth leaders to identify service providers to offer financial coaching, housing navigation, employment, education services and trauma-informed mentoring and support. The project includes evaluation and reporting to assess the program's efficacy and cost-effectiveness. *FY2024-25: \$5.4 million; funding is available until June 30, 2028*

Renovating, expanding and improving emergency shelter facilities. One-time capital funding will increase access to safe shelter across the state as a critical safety net support. Local governments, Tribal Nations and nonprofit organizations can apply for funding. Current shelter capacity is limited, with some areas of the state having no access to emergency shelters, or existing shelters that are insufficient or need significant renovations and repairs. *FY2024-25: \$100 million; funding is available until June 30, 2028*

Maintaining services and supports in Hennepin and Ramsey counties. State funding will help maintain capacity for shelters and services for people experiencing homelessness in Hennepin and Ramsey counties. Grants will go to specific organizations for services and supports. *FY2024-25: \$22.9 million*

Related information

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