

Creating opportunities for people to thrive.



2022 Legislative Summary



CATHOLIC
CHARITIES
of St. Paul and Minneapolis

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Session Overview

The Minnesota State Legislature convened on January 31, 2022, for the start of the 93rd Legislative Session. With the state's two-year budget already set, this session typically would have focused on no-cost policy items and a bonding bill (also known as a capital investment bill), but a historic \$9.25 billion state budget surplus yielded a session with intense debate on a supplemental budget bill and tax relief.

A long-awaited court decision on redistricting (the redrawing of legislative districts based on population changes from the 2020 Census) also inspired a wave of legislators to announce their intent to retire or seek a different office, and with all 201 legislative seats on the ballot this November, campaign season started early and partisan rhetoric infused much of the Capitol's activity.

Before session began, legislative leadership had agreed to focus session on a few key priorities: the COVID-19 response, replenishing the Unemployment Insurance Trust Fund, addressing public safety concerns and utilizing the state budget surplus. While these priorities were mutually agreed upon in concept, their approach to addressing each of them varied greatly. When lawmakers adjourned on May 23rd, the constitutional end of session, they remained so divided on the details of how to spend the surplus that nearly every major finance bill was left unfinished, including tax and bonding bills.

Outcomes on Catholic Charities' Priorities

Catholic Charities' legislative agenda built on the investments and momentum from 2021 to further strengthen programs and services and to advance racial equity and justice in the community. We united allies and key partners from across sectors to advocate for policies and investments that would provide opportunity for more individuals to access safe, dignified shelter and stable housing, while also prioritizing ongoing public investments in Catholic Charities' programs and services in order to help those most in need not just survive but thrive.

-  Legislation passed
-  Legislation did not pass

Supporting the Ongoing COVID-19 Response & Frontline Workers

COVID- 19 Waivers

Program waivers enacted early in the pandemic were key to keeping housing, emergency shelter and childcare programs open and to minimizing infection rates among vulnerable populations at greater risk for poor health outcomes. Many of these waivers expired in 2021, however, and as new COVID variants surged, Catholic Charities and other providers began

to experience more frequent outbreaks that strained staff and threatened services for those in need. In order to reinstate program flexibilities and bring additional resources needed to sustain safety net services, Catholic Charities joined social services partners in successfully advocating for the renewal of a series of COVID-19 waivers, which allow for oral signatures by applicants for public assistance programs, allow billing to the Child Care Assistance Program (CCAP) for COVID-related absences, suspend childcare center staff distribution requirements and re-establish a temporary emergency staffing pool. The Governor signed the COVID-19 waiver bill into law on March 24th; waivers went into effect immediately (and in some cases retroactively) and expired June 30, 2022.

✔ **Frontline Worker Pay**

Throughout the pandemic, Minnesota's frontline workers—including many Catholic Charities staff—continued to show up at work to provide essential services for the community, putting them at increased risk of contracting COVID-19. In recognition of their work and these risks, lawmakers appropriated \$500 million for "hero checks" to qualifying frontline workers. Frontline sectors include childcare, shelters and hotels, food service, schools, public health, social service, regulatory service and others. An estimated 667,000 Minnesotans are expected to receive a one-time bonus check of up to \$750. Catholic Charities promoted the [Frontline Worker Pay](#) application to employees, who were required to apply individually, and the State is responsible for reviewing all applications and making final determinations.

✘ **Transitioning Temporary Shelter Sites***

As part of the pandemic response, both Hennepin and Ramsey County utilized federal aid to establish temporary emergency shelters to expand regional shelter capacity and to limit the spread of COVID-19. By spring of 2022, however, many of these shelters had or were at risk of closure due to a lack of ongoing funding. Catholic Charities supported requests from the Ramsey County Continuum of Care and Hennepin County Board, which sought one-time state funding to prevent a funding cliff that threatened to displace hundreds of vulnerable individuals and overwhelm permanent shelter locations, such as those operated by Catholic Charities. These one-time investments would have helped ensure the continuity of expanded shelter operations and outreach in the short-term, while more deeply affordable housing units are being developed. Although funding was on the table for end-of-session negotiations as part of a Health & Human Services (HHS) omnibus spending bill, it languished when lawmakers failed to come to an overall agreement on an HHS bill before the conclusion of session.

**Although funding for the Ramsey County Continuum of Care and Hennepin County regional homelessness response efforts was not passed by the Legislature during session, Governor Walz announced in July \$6 million in funding for Ramsey and \$2 million in funding for Hennepin to support the transition of these temporary shelter supports. Funding was approved by the Legislative COVID-19 Response Commission and came from the state's remaining federal American Rescue Plan Act dollars.*



Ensuring Dignified Shelter & Day Services for Individuals Experiencing Homelessness

✘ Emergency Services Program (ESP)

With a large state surplus and amid a statewide homelessness crisis, legislators this year had an opportunity to make significant investments in the Emergency Services Program (ESP) and the state's emergency shelter system. ESP is the state's most flexible funding source for emergency shelter operations—everything beyond the physical construction of shelter and day service centers that is needed to keep the doors open and provide essential services to those in need. It could support sites like Catholic Charities' Higher Ground St. Paul Emergency Shelter and St. Paul Opportunity Center, which currently rely on private donations for more than 80% and 90% of their operating costs, respectively.

Providing trauma-informed navigation support towards housing stability requires a skilled workforce and significant, ongoing public investments. Homelessness advocates, including Catholic Charities, sought \$75 million in state ESP funding to aid this response. This public investment would have supported the operation and services structure needed to minimize the length and recurrence of shelter stays and improve homelessness outcomes. It was on the table in end-of-session negotiations but unfortunately did not pass, as the House and Senate failed to come to agreement on an HHS supplemental budget bill.

✘ Homeless Youth Act (HYA)

Homelessness advocates also pushed this year for an increased state investment in the Homeless Youth Act (HYA), which benefits programs like Catholic Charities' Hope Street Emergency Shelter for Youth. HYA supports young people experiencing homelessness who would otherwise have to go to large single-adult shelters or be outside, and it offers shelter providers flexibility to tailor services to the unique needs of this age demographic. Like other investments in the state's shelter system, though, HYA funding has not met the scale or urgency of the situation. A proposal to invest \$10 million in the HYA would have created a lifetime of stability and opportunity for thousands in need, but it too failed to pass after negotiations on an HHS supplemental budget bill broke down.

✔ Shelter-Linked Mental Health Grants

Shelter-linked mental health grants are an effective intervention to embed mental health supports into shelter operations with the goal of promoting greater housing stability. With a person-centered, trauma informed approach, they help remove barriers to accessing care and reduce stigma, allowing shelter staff like those at Catholic Charities' Hope Street to support youths' mental health while simultaneously working to stabilize their housing. This helps shorten the length of shelter stays and prevent future homelessness, too. Recognizing the benefit of this program, lawmakers approved \$2 million in additional funding for Shelter-Linked Mental Health Grants as part of a mental health omnibus bill.



Reforming Housing Support to Address Inequities & Promote Housing Stability

✘ Changing Income Calculations for Individuals with Disabilities & Veterans

Catholic Charities championed a [proposal to reform Housing Support](#)—a statewide permanent supportive housing program that helps people exit homelessness and achieve stable housing—to ensure individuals with disabilities and veterans aren't forced to pay more than 30% of their benefits toward housing. Currently, Housing Support recipients receiving disability and federal veterans benefits can be required to pay up to 90% of their monthly benefits, leaving them with just \$111 each month for necessary expenses like transportation, a phone or even child support. The burden of this obligation is enough to cause eligible individuals to decline the program entirely and choose to remain in shelter or places not meant for human habitation instead. For those in housing, it puts them at risk of eviction and limits their ability to build the skills and savings needed to achieve greater financial and housing independence.

This critical reform to Housing Support income calculations would improve housing and homelessness outcomes while putting money back in the pockets of the lowest income Minnesotans. It was supported by housing providers, homelessness advocates, individuals with lived expertise, disability advocates, veterans groups, counties and others. Despite receiving strong bipartisan support in both the House and Senate, it too was among the items left unfinished when legislators failed to pass an HHS supplemental budget bill. Catholic Charities is continuing to engage key partners on this issue with the intent to reintroduce legislation in the 2023 legislative session.

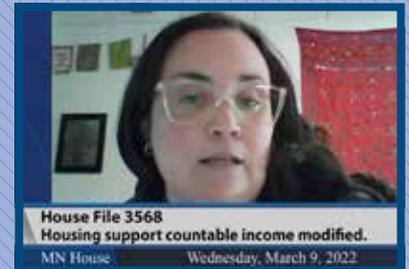
Outcomes on Other Legislation of Interest

✔ Supplemental Nutrition Assistance Program

Formerly known as Food Stamps, the Supplemental Nutrition Assistance Program (SNAP) helps Minnesotans with low incomes afford food for healthy meals. Effective September 1, 2022, the gross income limit for SNAP will increase from 165% of the federal poverty level to 200%. The increase was passed by the Legislature but can be paid for with federal dollars, which means it comes at no additional cost to the state. The expanded eligibility will help an estimated 1,400 additional Minnesota households access SNAP benefits.

✔ Task Force on Shelter

In 2021 the Legislature established a [Task Force on Shelter](#), charged with developing statewide standards for providing safe, dignified shelter and to examine the need for (and feasibility and cost of) establishing state oversight of shelter. The Task Force was supposed to submit a final report to the Legislature by August 2022 but needed additional time to complete its recommendations, given the complexity of the work. Lawmakers agreed to extend the deadline from August 2022 to December 2022 as part of an HHS policy bill. Staff from Catholic Charities' Homeless Elders program serve on the Task Force as a representative for an organization that advocates on behalf of individuals with disabilities.





✘ Child Care Assistance Program

The Child Care Assistance Program (CCAP) is the most significant form of childcare support for low-income families while they work to increase their financial stability, and it supports most children and families at Catholic Charities' Northside Childhood Development Center. Unfortunately, Minnesota's current provider reimbursement rate has not kept up with the recommendations of the federal government. Legislation proposed this year would have increased provider reimbursement rates to the 75th percentile (up from the 30th and 40th percentiles) and eliminated the program's wait list, but it didn't pass as legislators failed to negotiate an HHS supplemental budget bill.

✘ Deeply Affordable & Accessible Housing

Millions of dollars in proposed funding for Housing Infrastructure Bonds (HIBs) and preserving Naturally Occurring Affordable Housing (NOAH) were also among the many investments left unfinished this year, as lawmakers failed to negotiate an agreement on both capital investment and housing supplemental budget bills. Such investments are critical to maintaining Minnesota's current affordable housing supply and to ultimately increasing the number of deeply affordable and accessible housing units across the state.

✘ Tenant Protections & Eviction Reforms

Legislators in the House advanced a series of tenant protections and eviction reform bills to address discrimination and inequities in housing practices that contribute to housing instability and homelessness, including requiring written and advance notice of eviction, [prohibiting discrimination in housing against individuals receiving public assistance](#) (including Section 8 vouchers), and prohibiting hidden fees in leases. These proposals received strong pushback in the Senate, however, and failed to pass when lawmakers couldn't agree on a housing supplemental budget bill.

✘ Clean Slate Act

Since 2014, Minnesota has had a petition-based expungement system in place. Legislation known as [The Clean Slate Act](#) would have automatically expunged certain non-violent misdemeanors (after a specified waiting period) that already qualify for expungement under the current petition process. Automating this process would help address systemic inequities that make it difficult for individuals to obtain housing and employment after being charged with a crime. Catholic Charities endorsed this legislation because of its implications for some of our shelter guests and housing residents, but lawmakers could not find agreement on a public safety package this year.

✘ General Assistance

General Assistance (GA) helps people without children pay for basic needs. It provides money to individuals who can't work enough to support themselves and whose income and resources are very low. The current GA benefit of \$203 per month for single adults hasn't increased since 1986. A proposal to increase the benefit to \$344 per month and allow for annual cost of living adjustments was yet another of the items left on the table when negotiations on an HHS supplemental budget bill stalled.



Outreach and Impact

Throughout the legislative session, Catholic Charities works to engage staff and the individuals we serve to share their expertise on matters linked to ending homelessness, promoting housing stability, and advancing social justice and racial equity. Highlights of this year's outreach and impact include:

Rasheena Bickham, Program Manager at Northside Childhood Development Center, and **Keith Kozerski, Chief Program Officer,** participated in a virtual roundtable discussion with Governor Tim Walz regarding the childcare industry. Rasheena was quoted in the *Star Tribune*, "Gov. Tim Walz aims to change struggling Minnesota child care industry."

Chris Michels, Director of Housing Stabilization & Opportunity, testified to the House Preventing Homelessness Division in support of a bill that would have invested \$95 million in the Emergency Services Program (ESP) over three years. Chris gave moving testimony on the importance of investing in shelter services—not just beds—to better support those experiencing homelessness and improve shelter outcomes.

Wendy Underwood, Vice President of Social Justice Advocacy & Engagement, testified before House committees on February 22nd and again on March 1st in support of a bill to allocate \$400 million for Housing Infrastructure Bonds (HIBs), with a focus on households at or below 30% of the area median income (AMI). HIBs can spur the development of more deeply affordable and accessible housing throughout the state, and Wendy spoke to the use of HIBs to fund permanent supportive housing at the new Endeavors Residence at Catholic Charities at Elliot Park as one recent success story.

Keith Kozerski, Chief Program Officer, authored a letter to the editor in the *Star Tribune* on youth homelessness, Catholic Charities' Hope Street, and the need for more state investment in the Homeless Youth Act.

Shannon Lowe, Program Manager with Dorothy Day Residence, offered powerful testimony in support of Catholic Charities' bill to reform Housing Support income calculations to members of the House Preventing Homelessness Division. Shannon spoke to the challenges presented by current funding formulas and the ways in which they have impacted her tenants. She was joined by **Lorna Schmidt, Director of Public Policy & Advocacy.** Listen to their remarks here.

Lorna Schmidt, Director of Public Policy & Advocacy, offered additional testimony in support of Catholic Charities' Housing Support reform bill in a separate hearing to members of the House. This legislation was also highlighted in *MinnPost*, "Bipartisan plan for housing support for seniors, disabled and veterans still may not make it out of the Minnesota Legislature."





..... ●●● **Femi Ogun, Program Manager of the Frey Opportunity Center**, testified to the House Human Services Committee and Senate Human Services Reform Finance and Policy Committee as part of the 2022 Homeless Day on the Hill. Femi advocated for an increase in funding to the Emergency Services Program by describing the essential services provided at his service center and the importance of state funding in supporting this work.



..... ●●● **Molly McInerney, Senior Program Manager at Hope Street**, testified before House and Senate committees about the impact of Shelter-Linked Mental Health Grants on supporting youth mental health and housing stability for guests at Catholic Charities' Hope Street.



..... ●●● **Wendy Underwood, Vice President of Social Justice Advocacy & Engagement**, was quoted in a *Star Tribune* article, "St. Paul temporary homeless shelter closing as local leaders plead for state funding to avert crisis," about the federal funding cliff which threatened to close temporary shelter locations in Ramsey County. **Chris Michels, Director of Housing Stabilization & Opportunity**, was interviewed by KARE 11 on the same subject.



..... ●●● The opening of Catholic Charities' Endeavors Residence was highlighted in a *Star Tribune* editorial about the importance of affordable housing. Additional coverage of the residence's opening, with quotes by **Michael Goar, CEO**, and **Torey, a resident at Endeavors**, was featured by the *Star Tribune* and *Minnesota Public Radio*.

Through a series of action alerts shared online and via social media, Catholic Charities advocates sent **nearly 1,000 messages to lawmakers** in support of emergency shelter investments, Housing Support, and COVID-19 relief. We added more than **500 new advocates** to our network and, with their help, reached more than 80% of state senators and more than 65% of state representatives from legislative districts across Minnesota.



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To learn more about Catholic Charities' advocacy, visit [cctwincities.org/advocate](https://www.cctwincities.org/advocate) or contact Lorna Schmidt, Director of Public Policy & Advocacy, at lorna.schmidt@cctwincities.org.