

## Health Care and Human Services Policy and Oversight: House File 3071

February 24, 2010



Good afternoon Mr. Chair and members of the Committee. My name is Alexandra Fitzsimmons and I am the Policy Director for the Minnesota Catholic Conference. The MCC is the public policy voice of the Catholic Church in Minnesota and represents the dioceses of Crookston, Duluth, St. Cloud, New Ulm, Winona, and the Archdiocese of St. Paul and Minneapolis.

I am here today to speak in support of Representative Hayden's bill - House File 3071 – which removes the MFIP and GA asset limits for our neighbors who lost their job within the last 16 months, have exhausted or are ineligible for unemployment benefits and are eligible for MFIP or GA, respectively. This will help many struggling individuals and families throughout our State. Every member of this Committee likely has hundreds of painful stories about our neighbors who have lost their jobs, homes or health insurance and are fighting to provide themselves and their families with basic needs. Every person has a right to life and to the material and support required to live a truly human existence.

Asset limits are inconsistent with Minnesota's emphasis on work and self-reliance, and punish the very families that are trying to maintain or achieve economic independence by building their savings. Forcing individuals to spend down *long-term* savings to qualify for *short-term* assistance leaves individuals and families more vulnerable in the future. By reforming the asset limit for MFIP and GA under the specific circumstances outlined in this bill, Minnesota can take a significant step towards encouraging, and allowing, our neighbors to save and build for the future. As you know, assets are limited to \$2,000 for MFIP applicants and \$5,000 for ongoing MFIP recipients. The current asset limit for GA is \$1,000. This amount oftentimes represents needed funds to pay rent, a mortgage payment, health care needs or other pressing needs.

In its final Report, the Legislative Commission to End Poverty in Minnesota by 2020 identified six broad challenges to ending poverty in our State. One of the challenges addressed this very issue. According to the Commission's Report, "Public assistance programs must work to move people toward financial self-sufficiency. Too often well-intentioned programs end up having the opposite effect, especially when they lead to asset depletion as a condition for participation." The Commission also identified the need for helping Minnesotans build and maintain financial assets. To these ends, the Commission recommended enacting public policies that encourage maintenance of assets.

In order to end poverty, individuals and communities must have the opportunity to build wealth. As the Commission eloquently stated, "income is how we get by, assets are how we get ahead." As such, I encourage this Committee to support this bill and encourage households, who are

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already struggling to make ends meet or who can no longer make ends meet, retain their modest assets. Eligibility for Minnesota's public programs should promote the ability of people to quickly move out of crisis and into stability. Please support House File 3071 and help more Minnesotans who are struggling build for the future. Thank you for your time and your commitment to Minnesotans – especially those of us with the greatest needs.